Human Resource Agencies
and
Community Action Agencies

November 2001

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November 21, 2001

The Honorable John S. Wilder
 Speaker of the Senate
The Honorable Jimmy Naifeh
 Speaker of the House of Representatives
The Honorable Thelma M. Harper, Chair
 Senate Committee on Government Operations
The Honorable Mike Kernell, Chair
 House Committee on Government Operations
                and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243

Ladies and Gentlemen:

        Transmitted herewith is the performance audit of the human resource agencies and the
community action agencies. This audit was conducted pursuant to the requirements of Section 4-
29-111, *Tennessee Code Annotated,* the Tennessee Governmental Entity Review Law.

        This report is intended to aid the Joint Government Operations Committee in its review to
determine whether these agencies should be continued, restructured, or terminated.

                                Sincerely,

                                John G. Morgan
                                Comptroller of the Treasury

JGM/dlj
99-100

State of Tennessee

Audit Highlights

Comptroller of the Treasury   Division of State Audit

Performance Audit
Human Resource Agencies and Community Action Agencies
November 2001
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AUDIT OBJECTIVES

The objectives of the audit were (1) to identify duplication of services, administration, and cost; (2) to evaluate the agencies by using outcome measures; (3) to assess each agency's service delivery system; and (4) to make recommendations that might result in more efficient and effective operation of the agencies.

ANALYSIS AND CONCLUSIONS

This section of the audit includes discussions of (1) the overlap in service areas, the extent of duplication of services, agencies' administrative costs, and actions some agencies have taken to reduce duplication and/or administrative costs; (2) the extent to which agencies use outcome measures, the Results Oriented Management and Accountability (ROMA) system for measuring program outcomes, and the use of scales to help agencies better assess program performance; (3) agencies' service delivery systems as compared to a service delivery model; (4) the closing of Caney Fork Development Corporation and Upper Cumberland HRA's designation to take over Caney Fork's programs; (5) the operations of community action agencies in selected states; and (6) agencies' responses to a questionnaire concerning Title VI activities (page 11).

PROGRAMS AND ASSESSMENT OF SERVICE DELIVERY

This section includes a description of some of the programs operated by the agencies and an assessment of service delivery within those programs, using the service delivery model described in the Analysis and Conclusions section. The programs included in this section are the Community Services Block Grant Program, Energy Assistance Programs, Aging Programs, the Child Care Broker Program, the Registered Family Homes Program, the Head Start Program, the Emergency Assistance Food Program, Housing Programs, Workforce Investment Programs, Community Corrections Programs, and Misdemeanor Probation Programs (page 52).

FINDINGS

Five Human Resource Agencies Have Board Structures That Are Not in Compliance with Community Services Block Grant Requirements
As of December 2000, five of the state's Community Services Block Grant (CSBG) recipient agencies were not in compliance with the tripartite board structure required by the federal CSBG legislation.

(According to the legislation, any public nonprofit organization that receives CSBG funding is to ensure that no less than one-third of its board members are representatives of the low-income individuals served who reside in the area and are able to actively participate in the development, planning, implementation, and evaluation of agency programs.) Four of the five agencies were "grandfathered in" as eligible CSBG entities in the early 1980s, because they were providing community services at that time. The Governor named the fifth agency an eligible entity effective July 1, 2000 (page 135).

Client Monitoring Systems Used by the HRAs and CAAs Are Extremely Fragmented
The lack of integration limits the agencies' abilities to track clients across programs and to provide intensive case management services. In addition, client-monitoring systems lack the ability to capture instances of dual participation. Because agencies do not reconcile client information from counties in their service areas, they cannot determine if a client or household participates in the same program in more than one county (page 137).

HRAs and CAAs Do Not Have Agency-wide Strategic Plans
Tennessee's HRAs and CAAs offer numerous programs, ranging from energy assistance to community corrections. While each program serves the mission of an agency, the programs are operated independently of one another. The agencies do not have agency-wide strategic plans that incorporate and integrate programs for the benefit of the client and the community. Without a strategic plan, agencies may fail to identify gaps in service delivery and/or areas for improvement (page 143).

Two Agencies Did Not Have Updated Cost Allocation Plans
There appears to be no requirement that the plans be updated annually, unless the allocation methods approved become outdated as a result of organizational or other changes. In such cases, it is the agency's responsibility to submit for approval by its primary grantor agency an amended allocation plan that accurately reflects the agency's current allocation method. In two cases, however, we found that the agencies' cost allocation plans did not appear to have been updated for years, even though their allocation methods had changed (page 150).

<p align="center">SUMMARY OF OTHER CONCLUSIONS, WEAKNESSES, AND AREAS OF CONCERN</p>

This section summarizes the noteworthy conclusions, weaknesses, and areas of concern identified in earlier sections of the report (page 151).

<p align="center">ISSUES FOR LEGISLATIVE CONSIDERATION</p>

The General Assembly may wish to consider working with the existing HRAs and CAAs to reduce overlap in some service areas. This reduction could be accomplished by combining agencies (as was done in the southern part of the state in the 1980s), by terminating some agencies, or through administrative agreements whereby agencies share administrative staff, office space, etc. Any such actions should be taken in consultation with state and local officials, as well as with agency clients. Federal funding agencies should also be consulted to ensure that no actions are taken that threaten federal funding or conflict with federal funding requirements (page 160).

The General Assembly may wish to consider consulting federal, state, and local officials, as well as agencies and their clients to determine whether a change in the service delivery system's focus is needed. Specifically, the question is whether it would be in the best interest of local communities and their citizens to divert some funds currently spent on direct client services in order to improve agency and community-wide planning, case management, and development of client monitoring and tracking systems. Another question to consider is whether some of the money currently spent on short-term

services (e.g., emergency services) should gradually be diverted to more intensive, long-term services focused on helping clients achieve and maintain self-sufficiency (page 160).

Considering that five of the state's nine human resource agencies receive Community Services Block Grant funding, the General Assembly may wish to consider adjusting the board membership requirements of the human resource agencies to bring them into compliance with the board membership requirements of the Community Services Block Grant. For the four HRAs not receiving CSBG funding, such an adjustment would recognize the need for client input and participation in agency decision-making (page 160).

Performance Audit
Human Resource Agencies and Community Action Agencies

TABLE OF CONTENTS

TABLE OF CONTENTS (Cont.)

TABLE OF CONTENTS (Cont.)

Performance Audit
Human Resource Agencies and Community Action Agencies

INTRODUCTION

PURPOSE AND AUTHORITY FOR THE AUDIT

This performance audit of the 9 human resource agencies and the 12 community action agencies was conducted pursuant to *Tennessee Code Annotated,* Title 4, Chapter 29. Under Section 4-29-222, the 21 human resource and community action agencies included in the scope of this report are scheduled to terminate June 30, 2001. As provided for in Section 4-29-115, however, the agencies will continue through June 30, 2002, for review by the designated legislative committee. (Caney Fork Development Corporation was included in the original legislation but ceased operations in April 2000.) The Comptroller of the Treasury is directed under Section 4-29-111 to conduct a limited program review audit of the agencies and report to the Joint Government Operations Committee of the General Assembly. The performance audit is intended to aid the committee in determining whether the human resource agencies and community action agencies should be continued, restructured, or terminated.

OBJECTIVES OF THE AUDIT

The objectives of the audit were

1. to identify duplication of services, administration, and cost by looking at state appropriations and state-administered funds received by the agencies and at contracts the agencies may have with various state departments;

2. to evaluate the human resource and community action agencies by using outcome measures, including but not limited to the extent to which low-income clients served by each agency have become more self-sufficient, the extent to which low-income clients have improved their lives through increased employment, the extent to which an agency's clients have been able to move to permanent standard housing from substandard temporary housing, the extent to which clients participate in community groups, and the extent to which administrative resources are used efficiently in relation to programmatic resources;

3. to assess each agency's service delivery model by evaluating that agency's use of needs assessments, outreach and referral activities, client access to services, intake and eligibility procedures, case management, client monitoring and tracking procedures, and outcome and performance measures; and

4. to recommend possible alternatives for legislative or administrative action that could result in more efficient and effective operation of the community action and human resource agencies.

Because of a lack of certain types of information, we were not able to completely address objective 2 above. See pages 29-30 for a discussion of these limitations.

SCOPE AND METHODOLOGY OF THE AUDIT

The activities of the human resource and community action agencies were reviewed for the period January 2000 through December 2000. The audit was conducted in accordance with government auditing standards generally accepted in the United States of America and included

1. review of applicable legislation, agency policies and procedures, and meeting minutes of boards associated with the agencies;

2. site visits to 12 community action agencies and 9 human resource agencies;

3. attendance at agency board meetings and related association meetings;

4. examination of program records, files, and reports at each agency visited;

5. interviews with personnel at each of the human resource and community action agencies, including executive directors, financial directors, and directors of nutrition programs, housing programs, energy assistance programs, child care programs, elder care programs, community corrections and misdemeanor probation programs, adult education programs, employment programs, health care programs, and transportation programs;

6. site visits to county and/or satellite offices of each agency visited;

7. interviews with representatives of various state agencies, including the Tennessee Department of Human Services, the University of Tennessee College of Social Work, the Tennessee Commission on Aging and Disability, the Tennessee Board of Probation and Parole, the Tennessee Housing Development Agency, the Tennessee Department of Transportation, the Tennessee Department of Labor and Workforce Development, and the Tennessee Department of Agriculture;

8. interviews with representatives of various federal agencies, including the U.S. Department of Health and Human Services, Administration for Children and Families, and the U.S. Department of Housing and Urban Development; and

9. interviews with representatives of community action associations in other states.

OVERVIEW OF HUMAN RESOURCE AND COMMUNITY ACTION AGENCIES

Tennessee delivers a variety of services to its low-income and elderly citizens through a combination of public nonprofit human resource agencies and private nonprofit community action agencies. These agencies serve all 95 Tennessee counties and are primarily funded through contracts with various state and federal departments. As of December 31, 2000, there were 9 human resource agencies and 16 community action agencies in Tennessee. Pursuant to Section 4-29-222, *Tennessee Code Annotated,* the scope of this report does not include the four metropolitan community action agencies (Chattanooga Human Services, Knoxville-Knox County Community Action Committee, Metropolitan Action Commission [Nashville], and Shelby County Community Services Agency).

The 9 human resource agencies (HRAs) and 12 community action agencies (CAAs) included in the scope of this report provide a variety of services, including transportation services, commodities distribution, energy assistance, and educational programs.

Community Action Agencies

Tennessee's community action agencies developed as a result of the Economic Opportunity Act of 1964. Originally, these agencies received funds directly from the Federal Office of Economic Opportunity. After several federal reorganizations, the Omnibus Budget Reconciliation Act of 1981 eliminated the Community Services Administration and replaced it with the Community Services Block Grant (CSBG) Program. The CSBG program is now administered by the individual states.

Tennessee Code Annotated, Section 71-5-1101, designates the Governor as the state official responsible for the state's community action programs (under the Federal Economic Opportunity Act). The programs' administration was moved from the Governor's Office to the Department of Human Services by Executive Order No. 32, dated February 11, 1983. See page 52 for more information about the Community Services Block Grant.

As of December 31, 2000, there were 16 community action agencies in Tennessee serving 49 counties (see Exhibit 1). The 12 community action agencies included in this report vary greatly in size, population served, and function (see Appendices A, B, and E).

Human Resource Agencies

Tennessee's human resource agencies were authorized by Chapter 289 of the Public Acts of 1973 and operate under the authority of Title 13, Chapter 26 of *Tennessee Code Annotated*. The original legislation stated an intent that there be no more than 13 human resource agencies—4 in the metropolitan areas of Nashville, Knoxville, Chattanooga, and Memphis and 9 rural agencies. The service areas of the 9 rural agencies were supposed to coincide with the state's development districts. As of December 31, 2000, there were 9 human resource agencies in Tennessee serving 91 of the state's 95 counties. (See Exhibit 2.) Bradley, Davidson, Hamilton, and Shelby Counties are not served by human resource agencies but are instead served by community action agencies.

Exhibit 1

Community Action Agencies Reviewed
December 2000
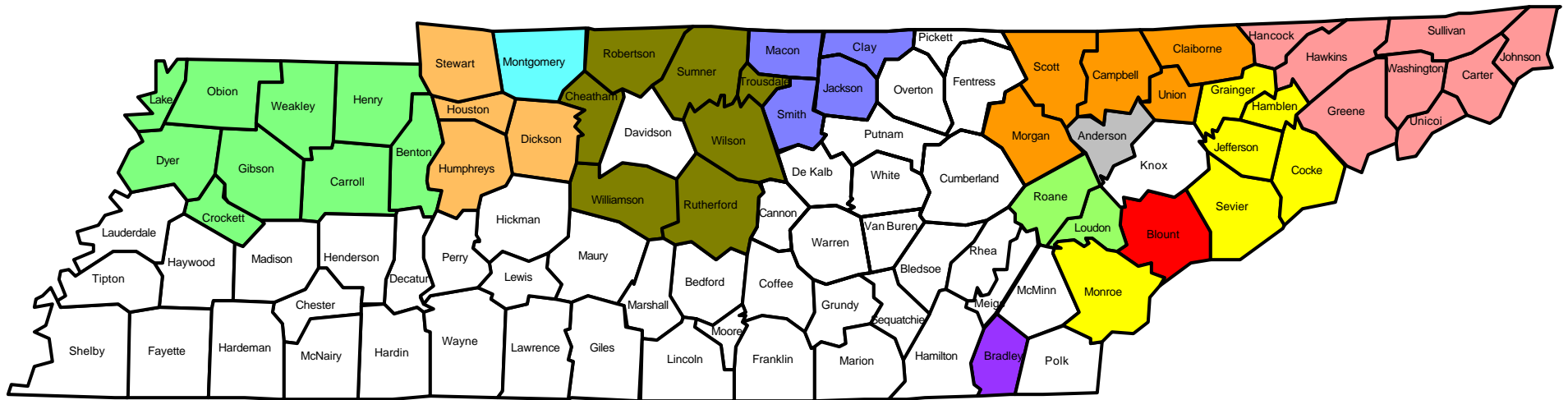
Agency

- ☐ Anderson County Community Action Commission
- 🟥 Blount County Community Action Agency
- 🟪 Bradley-Cleveland Community Services Agency
- 🟦 Clarksville-Montgomery County Community Action Agency
- ☐ Cordell Hull Economic Opportunity Corporation
- 🟨 Douglas-Cherokee Economic Authority
- 🟧 Highland Rim Economic Corporation
- 🟫 Mid-Cumberland Community Action Agency
- 🟩 Mid-East Community Action Agency
- 🟧 Mountain Valley Economic Opportunity Authority
- ☐ Northwest Tennessee Economic Development Council
- 🟥 Upper East Tennessee Human Development Agency

Exhibit 2

Human Resource Agencies Reviewed
December 2000
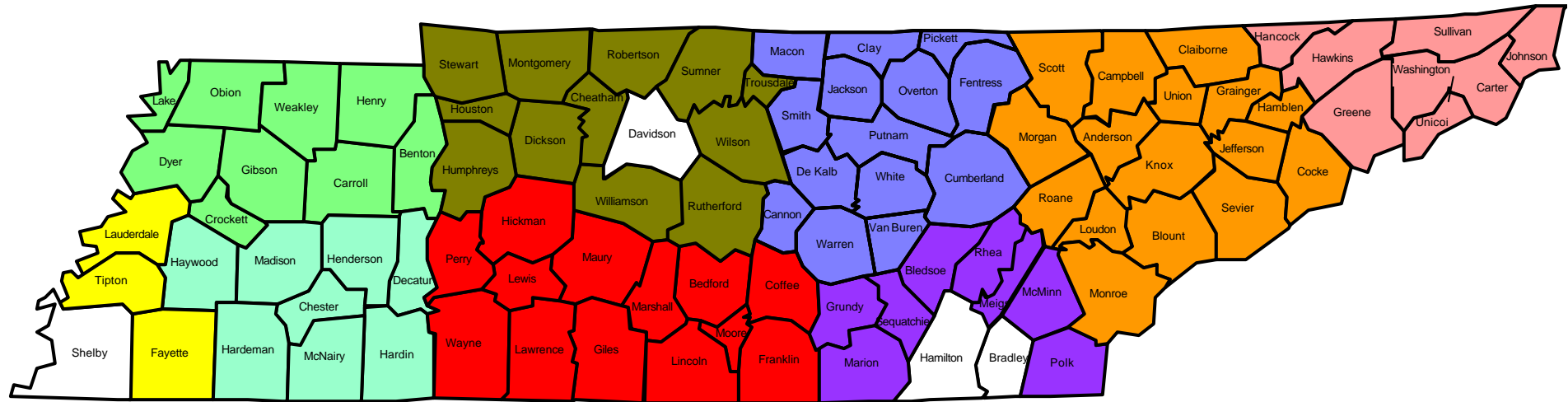
Agency

- Delta Human Resource Agency
- East Tennessee Human Resource Agency
- First Tennessee Human Resource Agency
- Mid-Cumberland Human Resource Agency
- Northwest Tennessee Human Resource Agency
- South Central Human Resource Agency
- Southeast Tennessee Human Resource Agency
- Southwest Human Resource Agency
- Upper Cumberland Human Resource Agency

BOARD MEMBERSHIP REQUIREMENTS

Community Action Agencies

Section 676B of the Community Services Block Grant Act establishes the membership requirements for the governing boards of the community action agencies (CAAs). All CAAs are required to have a tripartite board that participates fully in the development, planning, implementation, and evaluation of the programs that serve the low-income community. The tripartite board is to be composed of one-third elected public officials, not fewer than one-third representatives of the low-income community being served, and the remainder community partner members. The community partners can be members of business, industry, labor, religious, law enforcement, or other major groups in the community served. All of the CAAs reviewed for this audit meet the board requirements.

Section 676B also establishes board membership guidelines for any public organization that receives Community Services Block Grant (CSBG) funding. According to the CSBG legislation, in order for a public nonprofit organization to be considered eligible for CSBG funds, that organization shall ensure that no less than one-third of its board members are representatives of the low-income individuals served; reside in the area served; and are able to participate actively in the development, planning, implementation, and evaluation of programs. If a public nonprofit agency is not able to comply with the requirements listed above, that agency must have another mechanism in place to assure decision making and participation by low-income individuals. The legislation does not specify what type of alternative mechanism should be in place. (See page 135 for a further discussion of the board membership requirement.)

Human Resource Agencies

Section 13-26-103, *Tennessee Code Annotated,* establishes the membership requirements for the governing boards of the human resource agencies. According to the legislation, the boards consist of all county executives within the area served, the mayors of all municipalities, the chief executive officer of any metropolitan government within the area served, one representative from a local agency in each county (appointed by the county executive), and one state senator and one representative whose districts lie within the human resource agency's jurisdiction. Section 13-26-103 also requires the governing board of each human resource agency to appoint a policy council to act on its behalf. The legislation stipulates that the members of the policy council are to be broadly based and equitably distributed between human resource service providers and consumers. The Human Resource Policy Council has the power to appoint individuals to senior staff positions, determine major policies, approve overall program plans and priorities, and assure compliance with proposals for financial assistance. Any actions of the policy council are subject to ratification by the governing board.

AGENCY REVENUES

Appendix A details the revenues for the 21 agencies reviewed as part of this audit. (Revenues for Mountain Valley Economic Opportunity Authority are included as part of East Tennessee Human Resource Agency's revenues—see page 26.) In preparing these breakdowns of revenues by source, we used the agencies' audited financial statements and supplemental information for fiscal year 2000 (the most recent year available). Agencies use a variety of accounting methods, reporting periods (one agency uses an October 1 to September 30 fiscal year; all others use July 1 to June 30), and ways of classifying revenues; however, we have attempted to be as consistent as possible when presenting the information. Table 1 below summarizes fiscal year 2000 total program revenues for each agency. Agencies' total program revenues vary widely, from less than $300,000 for the Anderson County Community Action Commission to nearly $20.2 million for the East Tennessee Human Resource Agency/Mountain Valley Economic Opportunity Authority.

Table 1
Fiscal Year 2000 Agency Program Revenues

Agency	Fiscal Year 2000 Total Program Revenues
Anderson County Community Action Commission	$263,609
Blount County Community Action Agency	$1,063,479
Bradley/Cleveland Community Services Agency	$1,070,906
Clarksville-Montgomery County Community Action Agency	$2,297,803
Cordell Hull Economic Opportunity Corporation*	$3,130,150
Douglas-Cherokee Economic Authority	$10,908,383
Highland Rim Economic Corporation	$2,591,170
Mid-Cumberland Community Action Agency	$9,952,644
Mid-East Community Action Agency	$2,473,094
Northwest Tennessee Economic Development Council	$13,659,311
Upper East Tennessee Human Development Agency	$11,492,322
Delta Human Resource Agency	$2,172,408
East Tennessee Human Resource Agency/Mountain Valley Economic Opportunity Authority	$20,171,246
First Tennessee Human Resource Agency	$5,598,202
Mid-Cumberland Human Resource Agency	$7,307,037
Northwest Tennessee Human Resource Agency	$3,293,103
South Central Human Resource Agency	$12,164,964
Southeast Tennessee Human Resource Agency	$6,515,448
Southwest Human Resource Agency	$8,961,973
Upper Cumberland Human Resource Agency	$16,452,170

* Financial information is for fiscal year 1999—fiscal year 2000 information was not available.

For most of the agencies, federal financial assistance accounts for the majority of revenues. The smaller community action agencies in particular rely heavily on federal funds (i.e., for 70% to 90% of revenues). The major federal programs administered by the agencies we reviewed included programs such as Head Start, Low-Income Home Energy Assistance, and Community Services Block Grant, as well as a variety of programs serving senior citizens. In addition, several agencies received a substantial amount of federal funding for public transportation, job training, and Section 8 rental assistance programs.

Most of the agencies received only a very small portion of their revenues directly from the state. Major state-funded programs included community corrections, rural transportation, and housing programs. A few agencies had significant amounts of revenue from programs, typically from corrections programs such as Misdemeanor Probation or transportation programs that charge clients a fee for the agencies' services. (Information on agency expenditures and administrative costs is presented on page 25.)

THE TENNESSEE ASSOCIATION OF COMMUNITY ACTION AND THE TENNESSEE ASSOCIATION OF HUMAN RESOURCE AGENCIES

Both the community action agencies and the human resource agencies have formed state associations to assist member agencies by disseminating information, coordinating training, providing a forum for the exchange of ideas among members, and advocating with the General Assembly, state agencies, etc. The Tennessee Association of Community Action (TACA) comprises the 21 agencies that receive Community Services Block Grant funds. Members of the Tennessee Association of Human Resource Agencies (TAHRA) are the 9 HRAs created by *Tennessee Code Annotated*, Section 13-26-101 *et seq*. Since 5 HRAs receive CSBG funds, they are members of both associations. Table 2 lists the members of each association.

Tennessee Association of Community Action (TACA)

The mission of TACA is to "empower the local agencies through advocacy, training, the provision of technical assistance and the development of quality services to promote self-sufficiency and personal growth in the individuals, families and communities of Tennessee."

Staff from the member agencies serve as TACA officers. During 2000, TACA hired an executive director using grant money from the U.S. Department of Health and Human Services' Office of Community Services. With a full-time executive director, DHS and the TACA president believe TACA will be better able to assist agencies that are having problems.

In addition to association meetings held throughout the year, TACA hosts conferences each spring and fall for its member agencies. Workshops at the conferences offer training opportunities for agency staff and have ranged from Disabilities Services in Early Head Start to Needs Assessments, Community Action Plans, and Outcome Measures.

Table 2
TACA/TAHRA Members

TACA Members	**TAHRA Members**
Anderson County Community Action Commission	Delta Human Resource Agency**
Blount County Community Action Agency	East Tennessee Human Resource Agency
Bradley-Cleveland Community Services Agency	First Tennessee Human Resource Agency
Chattanooga Human Services*	Mid-Cumberland Human Resource Agency
Clarksville-Montgomery County Community Action Agency	Northwest Tennessee Human Resource Agency
Cordell Hull Economic Opportunity Corporation	South Central Human Resource Agency**
Delta Human Resource Agency**	Southeast Tennessee Human Resource Agency**
Douglas-Cherokee Economic Authority	Southwest Human Resource Agency**
Highland Rim Economic Corporation	Upper Cumberland Human Resource Agency**
Knoxville-Knox County Community Action Committee*	
Metro Action Commission*	
Mid-Cumberland Community Action Agency	
Mid-East Community Action Agency	
Mountain Valley Economic Opportunity Authority	
Northwest Tennessee Economic Development Council	
Shelby County Community Services Agency*	
South Central Human Resource Agency**	
Southeast Tennessee Human Resource Agency**	
Southwest Human Resource Agency**	
Upper Cumberland Human Resource Agency**	
Upper East Tennessee Human Development Agency	

 * Agencies not included in the scope of the audit.
 ** Members of both TACA and TAHRA.

Any agency that receives Community Services Block Grant (CSBG) funds is also eligible for NACAA (National Association of Community Action Agencies) membership. NACAA represents the interests of community action agencies and other private and public groups whose mission is to fight poverty at the local level. NACAA's goals are to

- be responsive to members' daily operational and programmatic needs,

- address the long-term information needs of CAAs, and

- conduct effective advocacy work.

Community action associations in other states are valuable resources for identifying ways to obtain additional funding and sharing other information. For example, the community action associations in Connecticut, Massachusetts, and Missouri secured Office of Community Services grants to improve the technical capacities of their member CAAs. See pages 139-142 for more information. The Kentucky Association for Community Action compiles and disseminates information on CSBG goals and objectives and CAA funding sources.

TACA has developed a web site (www.tacaa.com) that includes the association's code of ethics, mission statement, and conference information. The web site has links to individual agencies' sites (if applicable) or provides information about which agency serves which counties.

Tennessee Association of Human Resource Agencies (TAHRA)

TAHRA and its member agencies have the same mission statement: "To help people help themselves by providing knowledge and resources to improve the quality of life in the State of Tennessee." TAHRA meets periodically to discuss business issues and hosts annual training conferences and legislative receptions.

During our fieldwork, TAHRA was discussing the creation of a central administrative office that would be housed at the Mid-Cumberland Human Resource Agency. Since TAHRA has no cohesive national group, members believe a central office would give TAHRA an identity and show unification.

TAHRA has also developed a web site (www.thetahra.org) with contact information available for each member agency. In addition, the web site contains a calculation of the cost/value of services and the number of clients served by each agency for July 1, 1998 – June 30, 1999.

Coordination of TACA and TAHRA

Despite the associations' common interests and although five of the human resource agencies belong to both TACA and TAHRA, the two associations apparently do not coordinate or cooperate. Instead, each association seems to focus on what the other group of agencies has received, such as state or federal funding, that its group did not receive.

When fully utilized, the state associations can be tremendous resources for their member agencies. We believe both associations can do more to facilitate the exchange of ideas, share best practices, and resolve the problems of their agencies. In addition, officers and members need to foster improved relations between the two associations.

ANALYSIS AND CONCLUSIONS

DUPLICATION OF SERVICES

According to Section 4-29-102 (c)(2)(A), *Tennessee Code Annotated*, one of the General Assembly's major concerns about the human resource and community action agencies is that

> in many areas of the state, there are duplicate human and community service and action organizations that receive state appropriations and/or state-administered funds and/or contract with various state departments, which could result in an unnecessary duplication of services and administration, thereby resulting in an unnecessary duplication of costs. Such unnecessary duplication could decrease the overall effectiveness of human and community service programs and agencies.

In evaluating duplication among the various human resource and community action agencies, we found that there were several different aspects of duplication that need to be discussed—overlap in service areas, instances of duplication in which more than one agency provides a specific program in a particular county, and instances in which similar types of services are provided through different programs or other types of agencies (e.g., churches, the Salvation Army). Other issues discussed in this section include the agencies' administrative costs and actions taken by some agencies to reduce duplication and/or administrative costs.

Overlap in Service Areas

According to Tennessee Department of Human Services officials, Tennessee's dual system of human resource agencies (HRAs) and community action agencies (CAAs) is a result of the legislature's attempt to fill the gap in service delivery it believed would result from the proposed federal dissolution of the 1964 Economic Opportunity Act (the federal program that authorized the state's community action agencies). To fill this anticipated gap, the Tennessee General Assembly in 1973 passed Public Chapter 289, which authorized the creation of the human resource agencies. In passing this law, legislators also were attempting to fill the service gap in counties not covered by a community action agency.

According to information provided by the Tennessee Association of Community Action, in 1973, the federal Office of Economic Opportunity—under orders from President Nixon—began issuing instructions for CAAs to begin phasing out by reducing staff, liquidating loans, terminating policies, and disposing of property. Several lawsuits were filed as a result, and a United States District Court Judge ruled that the dismantling process, without congressional action, was "unauthorized by law, illegal, and in excess of statutory authority." The community action agencies were then funded through month-to-month contracts until December 1974 when

Congress passed the Community Services Act of 1974. In 1981, the Omnibus Budget Reconciliation Act created the Community Services Block Grant and the Social Services Block Grant. (See page 52.)

The community action agencies in Tennessee had continued to operate anti-poverty programs during the 1973 to 1981 period, and Tennessee was left with two systems for delivering services—the state-created human resource agencies and the federally-created community action agencies. Based on interviews with state officials, as well as officials in selected other states (see page 46), it appears that no other state has a dual system like Tennessee's—state-authorized human resource agencies and federally-authorized community action agencies.

When established, the boundaries of the state's human resource agencies coincided with those of the state's development districts (see Exhibit 3 for a map of the state's development districts). The state's system of development districts was created by Chapter 241 of the 1965 Public Acts to facilitate "general and comprehensive planning and development activities, such that would provide coordinated, efficient and orderly economic development of the state." The HRA boundaries also overlapped the existing service areas of the community action agencies. Forty-nine of the state's 95 counties are within the jurisdiction of both a human resource agency and a community action agency. It is not clear, however, that this overlap in the distribution of the human resource and community action agencies is based on criteria such as population, median income, or geographic service area (see Exhibits 1, 2, 4, and 5). For example, the counties served by both an HRA and a CAA are not necessarily those counties with the highest populations or the greatest numbers of people living in poverty.

Development Districts Where the HRAs and CAAs Have Overlapping Service Areas

The human resource and community action agencies that exist within the boundaries of the Greater Nashville Regional Council and the East Tennessee Development District create a web of overlapping service areas (see Exhibits 1, 2, and 3). This overlap in service areas does not appear to be based on population or square mileage since some of the smallest counties have both types of agencies and some of the larger counties have only one type of agency.

The 13 counties that lie within the boundary of the Greater Nashville Regional Council are served by a total of five service delivery agencies—four community action agencies and one human resource agency. The Metropolitan Action Commission, a community action agency not included in the scope of this report, is the only agency in the region designated to provide services in Davidson County. The designated service area of the Mid-Cumberland HRA, the only human resource agency in the region, covers all counties in the region except Davidson County. As Exhibit 6 illustrates, the combined service areas of the Clarksville-Montgomery County Community Action Agency, the Highland Rim Economic Corporation, and the Mid-Cumberland Community Action Agency cover the same service area as the Mid-Cumberland HRA.

Exhibit 3

Development Districts
December 2000
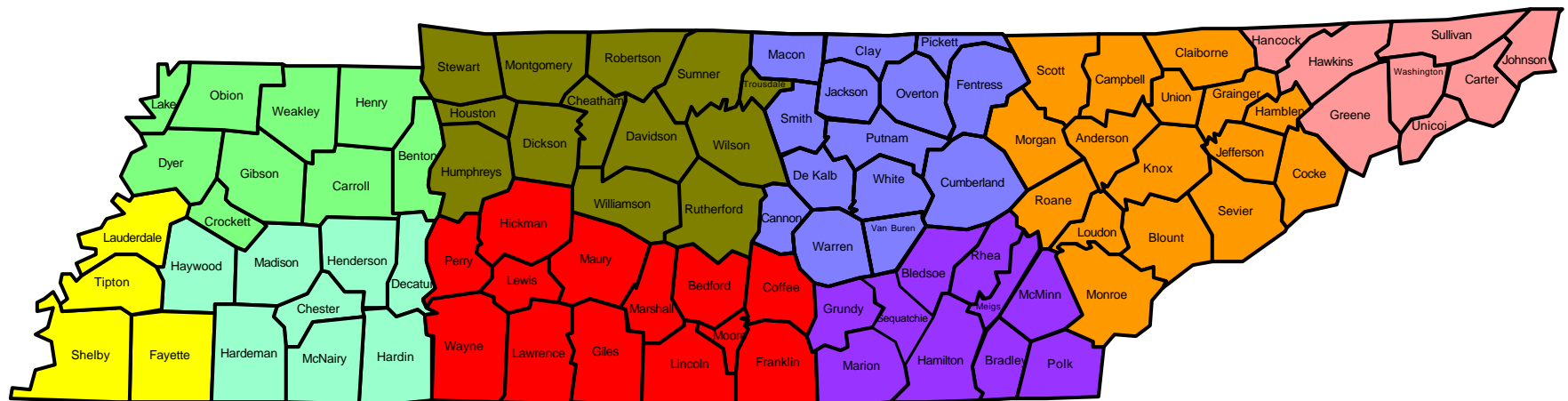
Districts

- ☐ East Tennessee Development District
- ☐ First Tennessee – Virginia Development District
- ☐ Greater Nashville Regional Council
- ☐ Memphis Area Association of Governments
- ☐ Northwest Tennessee Development District
- ☐ South Central Tennessee Development District
- ☐ Southeast Tennessee Development District
- ☐ Southwest Tennessee Development District
- ☐ Upper Cumberland Development District

Source: Department of Economic and Community Development.

Exhibit 4

2000 County Populations

Source: U.S. Census Bureau.
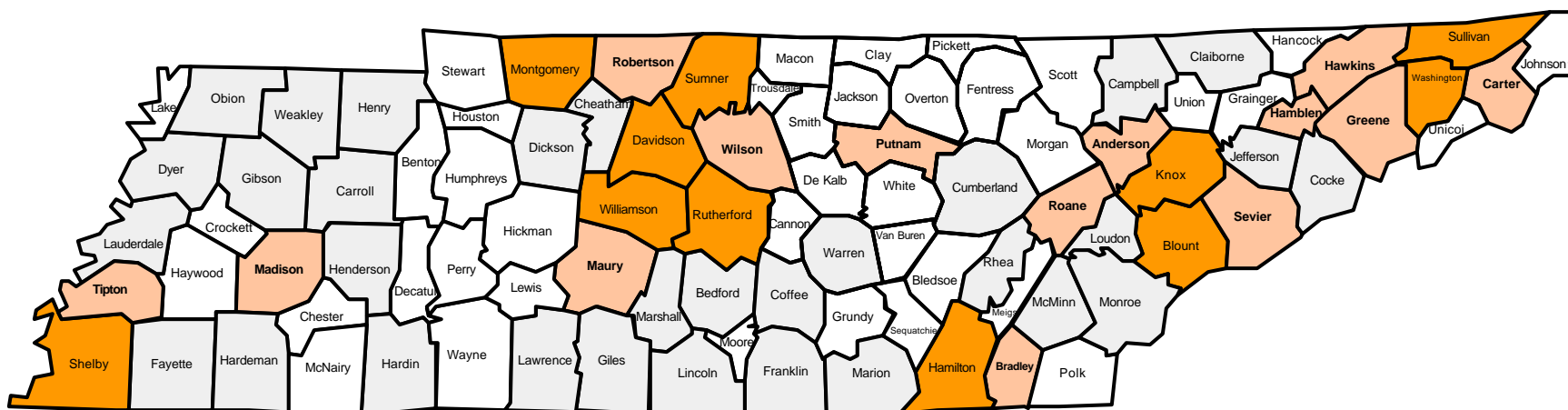
County Population

- Up to 24,999
- 25,000 to 49,999
- 50,000 to 99,999
- 100,000 and Above

Exhibit 5

County Poverty Rates
1997 Estimates
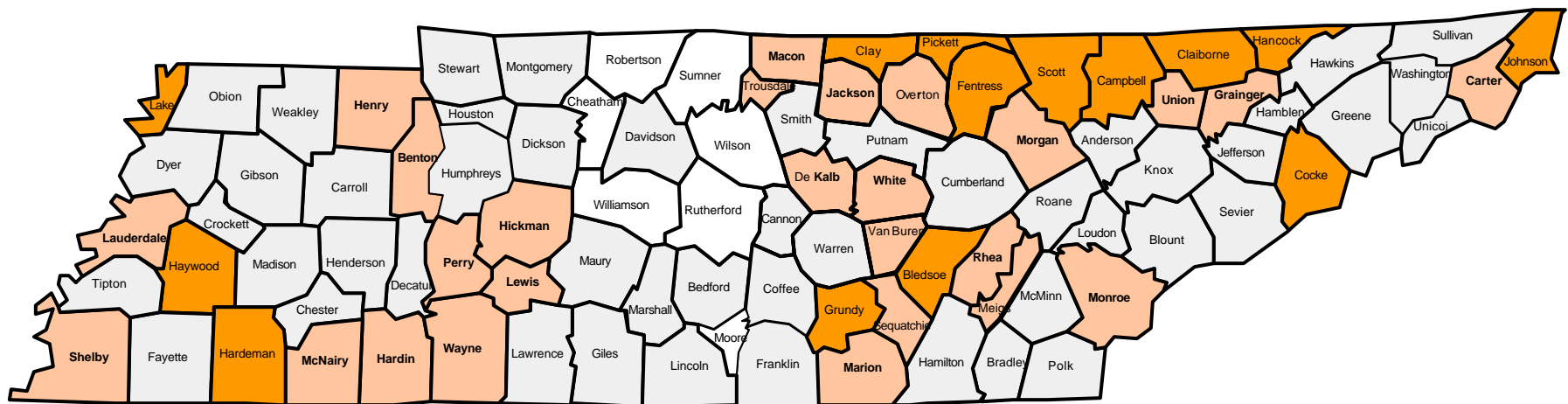
Estimated Poverty Rates*

- ☐ 0.0 to 9.9 Percent
- ☐ 10.0 to 14.9 Percent
- ☐ 15.0 to 19.9 Percent
- ☐ 20.0 Percent and Above

*Tennessee's rate estimated at 13.6 Percent.

Source: U.S. Census Bureau.

Exhibit 6

Geographic Overlap Between Community Action and Human Resource Agencies
Clarksville-Montgomery County Community Action Agency, Highland Rim Economic Corporation,
Mid-Cumberland Community Action Agency, and
Mid-Cumberland Human Resource Agency

December 2000

Highland Rim Economic Corporation

Clarksville-Montgomery County Community Action Agency

Combined Area
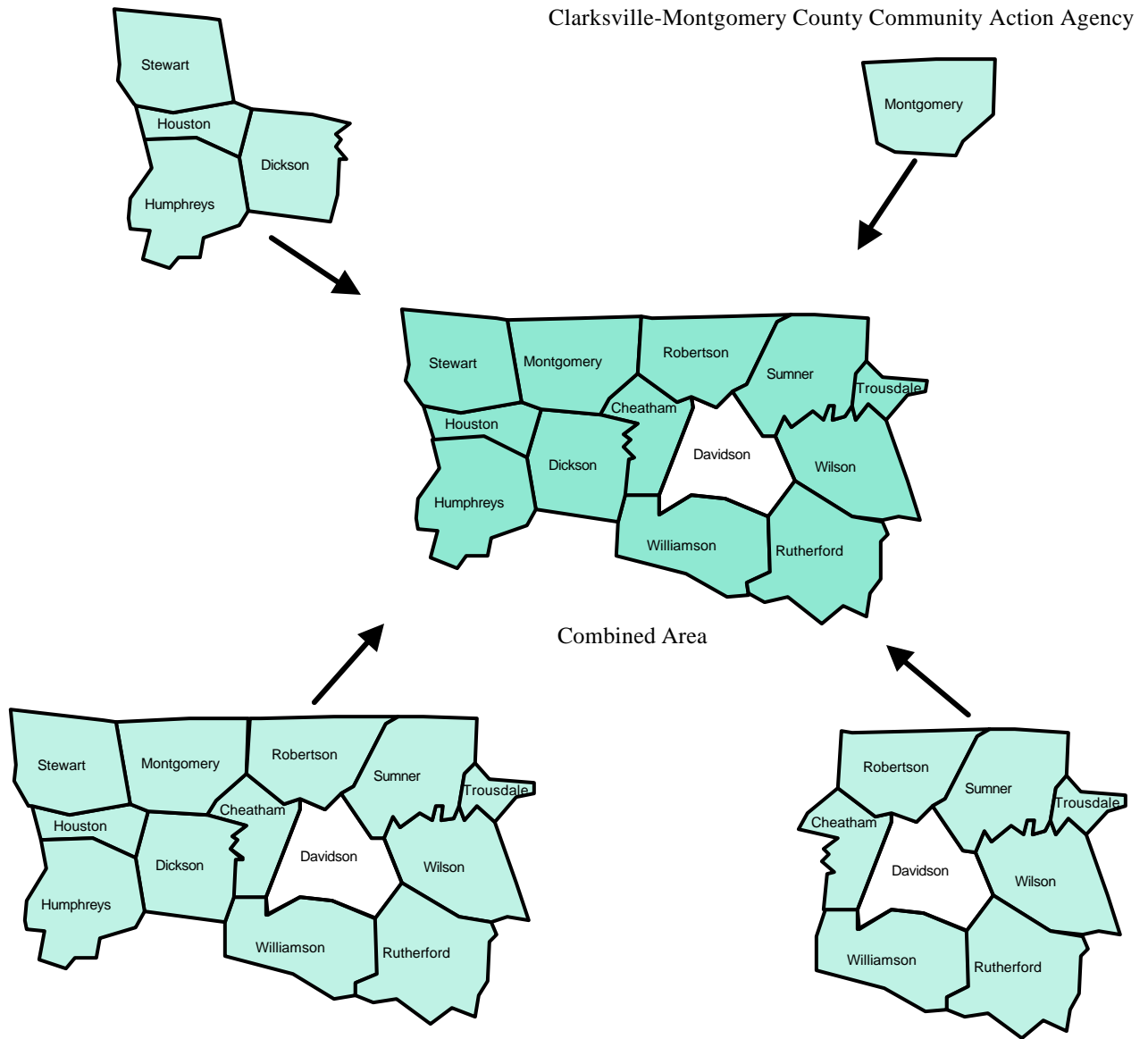
Mid-Cumberland Human Resource Agency

Mid-Cumberland Community Action Agency

Community Action Agency Area
Human Resource Agency Area
Overlapping Community Action and Human Resource Agency Areas

Analysis   16

The 16 counties that lie within the boundary of the East Tennessee Human Development District are served by seven service delivery agencies—one human resource agency and six community action agencies. The Knoxville-Knox County Community Action Committee, a community action agency not included in the scope of this report, is designated to provide services in Knox County. The East Tennessee HRA, the only human resource agency in the region, provides services to all counties in the region, including Knox County. As Exhibit 7 illustrates, the combined service areas of the Anderson County Community Action Commission, the Blount County CAA, the Douglas-Cherokee Economic Corporation, the Mid-East Community Action Agency, the Mountain Valley Economic Opportunity Corporation, and the Knoxville-Knox County Community Action Committee cover the same service area as the East Tennessee HRA.

Two service delivery agencies—one HRA and one CAA—serve the 14 counties that lie within the boundary of the Upper Cumberland Development District. (See Exhibit 8.) The Cordell Hull Economic Opportunity Corporation, a community action agency, provides services to Clay, Jackson, Macon, and Smith Counties. The Upper Cumberland HRA provides services to all 14 counties of the region. (See page 44 for a discussion of Upper Cumberland HRA's designation as a Community Services Block Grant Agency.)

Within two of the development districts, the First Tennessee Development District and the Northwest Tennessee Development District, the human resource agency and community action agency provide services to the same counties (see Exhibits 9 and 10).

Overlapping Service Areas: Competition and Cooperation

The existence of multiple service delivery agencies within a particular area has, at times, led to problems with competition for various grants and programs. One recent example is the competition (and resulting controversy) for the programs formerly operated by Caney Fork Development Corporation in Cannon, Dekalb, Van Buren, and Warren Counties. (See page 44.) Another example is the competition between Mid-Cumberland HRA and Mid-Cumberland CAA for the Child Care Broker Program in 12 Middle Tennessee counties. Immediately prior to January 1, 2000, the Mid-Cumberland HRA provided the Department of Human Services (DHS) Child Care Broker Program within the Greater Nashville Regional Council. (Both Mid-Cumberland CAA and Highland Rim Economic Corporation had apparently also provided broker services within the region in the past.) According to Mid-Cumberland HRA personnel, when DHS decided to grant this program to the Mid-Cumberland CAA, the HRA spent a great deal of time and effort in its attempts to retain the program. At one point, Mid-Cumberland HRA even considered filing a lawsuit against DHS in an attempt to have the decision overturned. As of January 1, 2000, however, the program was transferred to Mid-Cumberland CAA. According to Mid-Cumberland CAA staff, the transition went fairly smoothly, although some client files were misplaced and only one of the HRA's Child Care Broker staff was retained by the CAA when it took over the program.

Exhibit 7

Geographic Overlap Between Community Action and Human Resource Agencies

Anderson County Community Action Commission, Blount County Community Action Agency,
Douglas-Cherokee Economic Authority, East Tennessee Human Resource Agency, Knoxville-
Knox County Community Action Committee, and Mid-East Community Action Agency

December 2000

Blount County Community Action Agency

Mid-East Community Action Agency

Anderson County Community Action Commission

Knoxville-Knox County Community Action Committee

Combined Area

East Tennessee Human Resource Agency*

Douglas-Cherokee Economic Authority

Community Action Agency Area

Human Resource Agency Area

Overlapping Community Action and Human Resource Agency Areas
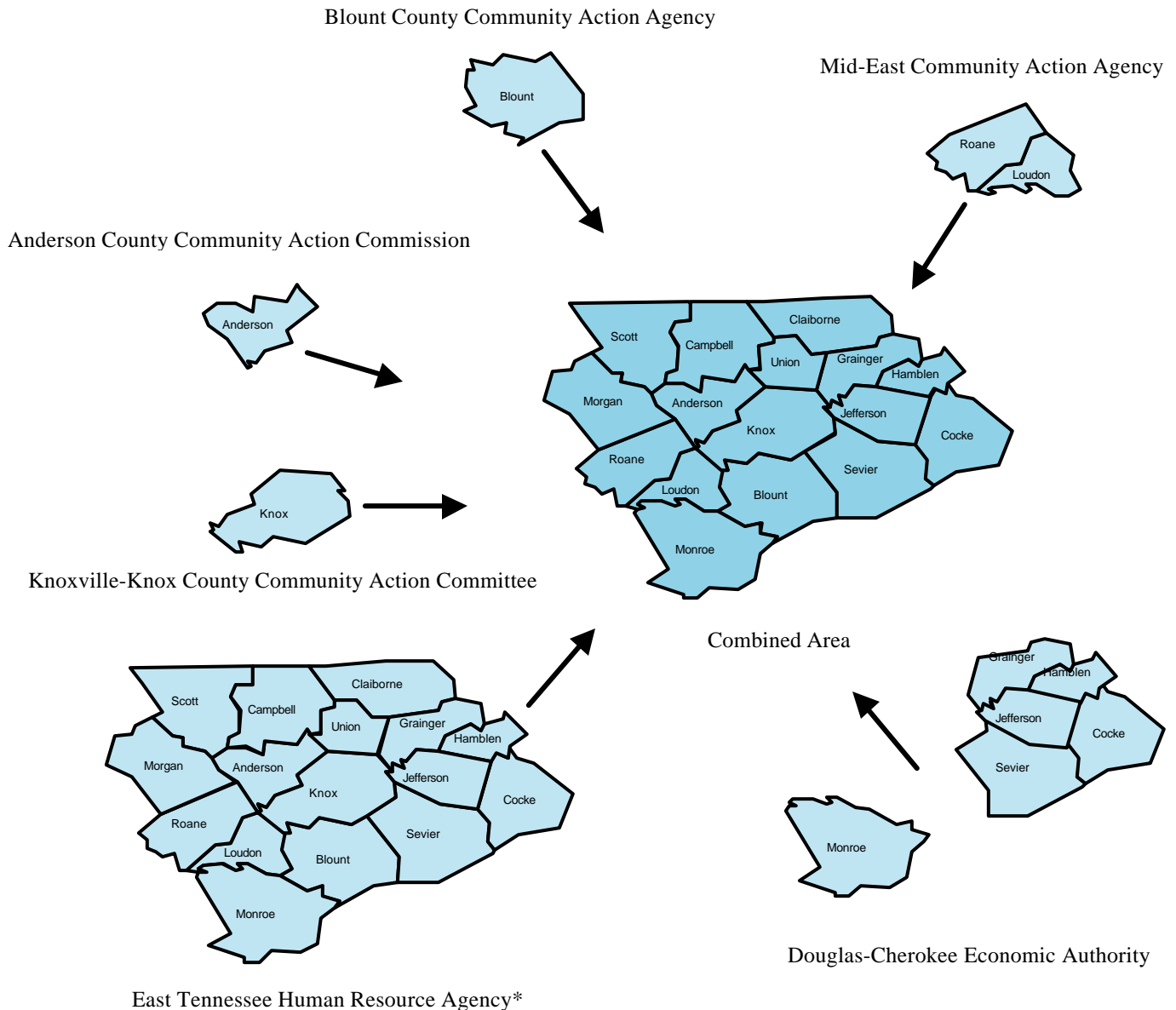
*   East Tennessee Human Resource Agency's service area includes Mountain Valley Economic Opportunity
    Authority's five-county service area (Campbell, Claiborne, Morgan, Scott, and Union Counties).

Analysis   18

Exhibit 8

Geographic Overlap Between Community Action and Human Resource Agencies
Cordell Hull Economic Opportunity Corporation and
Upper Cumberland Human Resource Agency

December 2000

Macon • Clay • Pickett • Jackson • Overton • Fentress • Smith • Putnam • De Kalb • White • Cumberland • Cannon • Van Buren • Warren

Combined Area

Macon • Clay • Jackson • Smith

Cordell Hull Economic Opportunity Corporation

Macon • Clay • Pickett • Jackson • Overton • Fentress • Smith • Putnam • De Kalb • White • Cumberland • Cannon • Van Buren • Warren

Upper Cumberland Human Resource Agency

Community Action Agency Area
Human Resource Agency Area
Overlapping Community Action and Human Resource Agency Areas

Analysis

Exhibit 9

Geographic Overlap Between Community Action and Human Resource Agencies
First Tennessee Human Resource Agency and
Upper East Tennessee Human Development Agency

December 2000
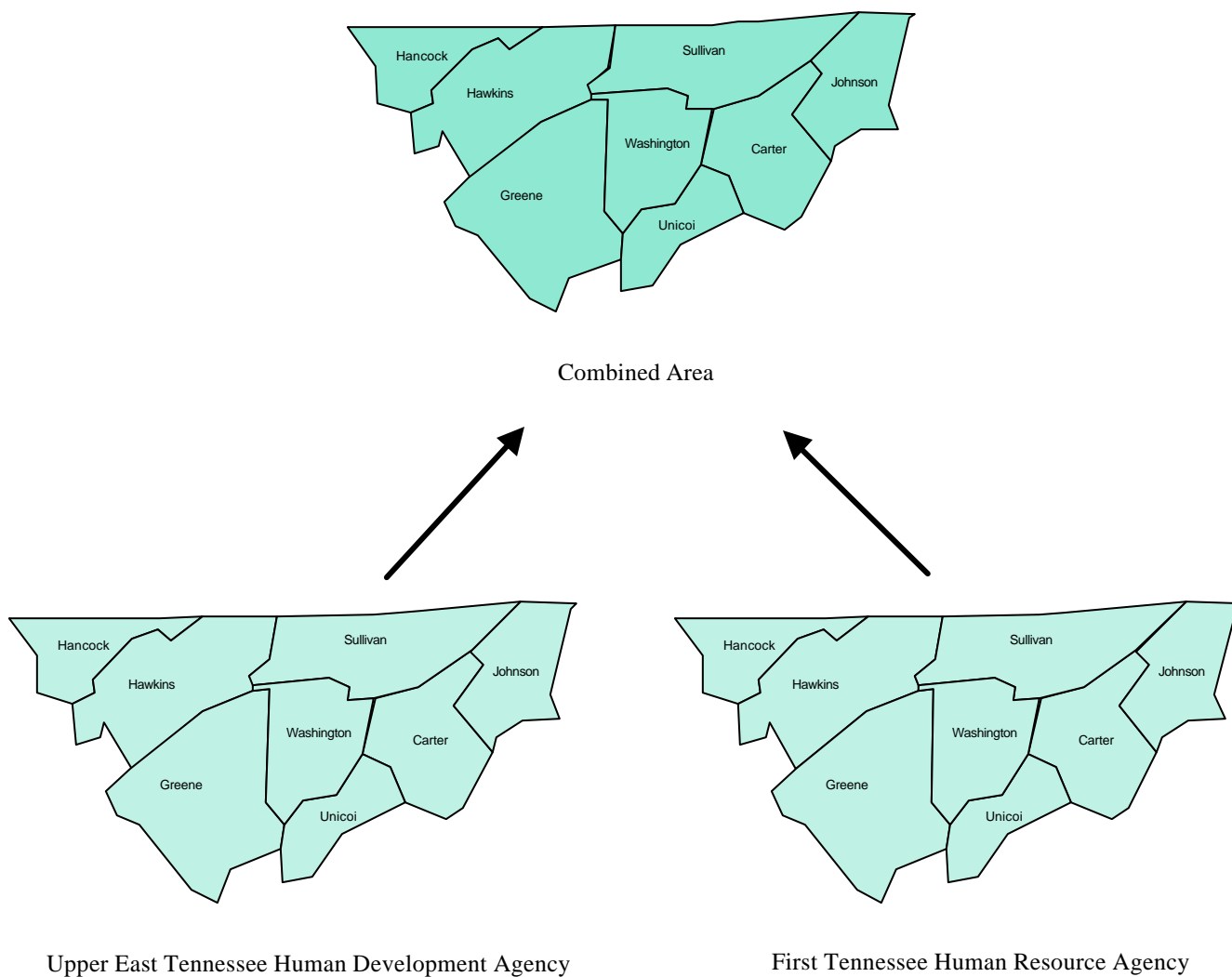
Combined Area

Upper East Tennessee Human Development Agency

First Tennessee Human Resource Agency

Community Action Agency Area
Human Resource Agency Area
Overlapping Community Action and Human Resource Agency Areas

Exhibit 10

Geographic Overlap Between Community Action and Human Resource Agencies
Northwest Tennessee Economic Development Council and
Northwest Tennessee Human Resource Agency
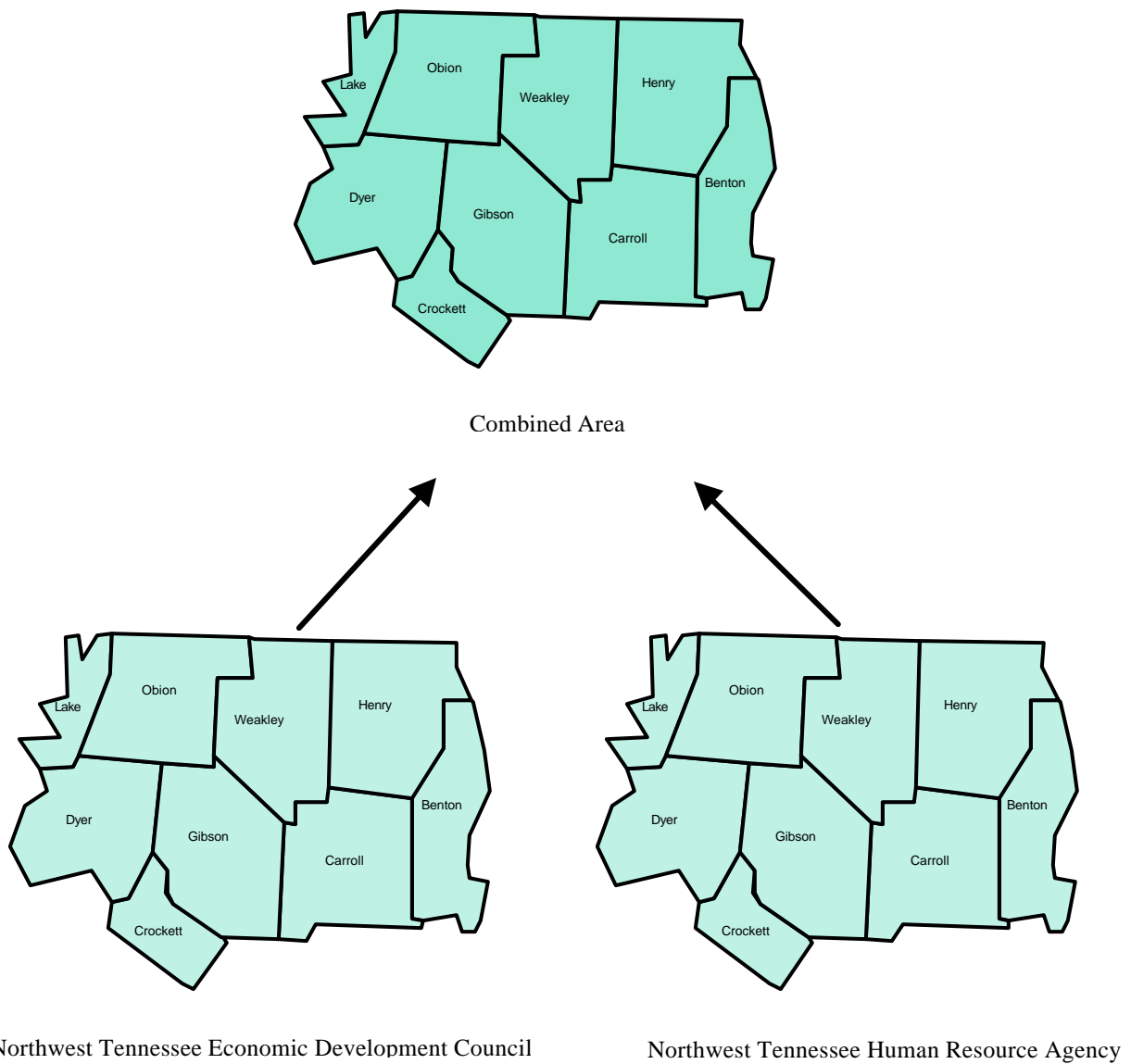
December 2000

Combined Area

Northwest Tennessee Economic Development Council

Northwest Tennessee Human Resource Agency

- Community Action Agency Area
- Human Resource Agency Area
- Overlapping Community Action and Human Resource Agency Areas

Analysis

In some areas, community action and human resource agencies with overlapping service areas appear to have developed relationships that focus more on cooperation than competition. For example, within the First Tennessee Development District, agency personnel, board members, and a group of community partners reported that both the First Tennessee Human Resource Agency and the Upper East Tennessee Human Development Agency play key roles within the region. Agency personnel and board members also noted that the two agencies rarely compete for programs because of the different types of programs offered by each agency (see Appendix B). Board members stated that the overlap in board membership between the two agencies also lessens the chance that the agencies will compete for programs because the boards attempt to steer new programs and initiatives toward the most appropriate agency. According to management of both the Northwest Tennessee HRA and the Northwest Tennessee Economic Development Council (which share the same nine-county area), their agencies also cooperate—exchanging information and referring clients to one another, with one agency focusing on programs for the elderly and the other focusing on programs for children and low-income individuals.

<u>Agencies Offering Specific Programs in Another Agency's Service Area</u>

Each human resource and community action agency has certain counties that it is designated to serve. In some cases, however, another HRA or CAA (that does not have those counties in its service area) has been designated instead by the grantor to offer a particular program in one or more of those counties. We found instances of this situation in several of the major programs we reviewed as part of this audit, such as Head Start, Community Corrections, and Workforce Investment. In most cases, this scenario appeared to occur because the service delivery areas designated for a specific program (e.g., the judicial districts used for Community Corrections and the local workforce investment areas designated for the Workforce Investment Program) were not consistent with HRA and CAA service delivery areas. For Head Start, service delivery area decisions are made by the U.S. Department of Health and Human Services, which (according to DHHS staff) focuses on program effectiveness and which agency submits the best proposal, rather than on logistics, with the result that a county may be served by an agency located in another part of the state.

More Than One Agency Providing a Specific Program in a County

For most of the programs we reviewed, the grantor (usually a state or federal agency) has divided the state into service areas, with a grantee for each area and no duplication of counties served. We found few instances in which both a CAA and an HRA were offering the same program in a particular county. One instance identified by the staff of the Tennessee Department of Transportation was the Knoxville-Knox County CAC providing transportation services to TennCare clients in counties such as Anderson, Blount, Jefferson, and Sevier, which are part of East Tennessee HRA's service delivery area and where East Tennessee HRA was offering the same service. While reviewing the service areas for agencies participating in the Section 8 Housing Program, we found that although a CAA and an HRA (or two HRAs) did not compete directly in a particular county, multiple agencies were operating Section 8 programs in some counties. In McMinn County, for example, three agencies operate Section 8—Southeast

Tennessee HRA, the Athens Public Housing Authority, and the Etowah Public Housing Authority. In Anderson County, there are four Section 8 providers: East Tennessee HRA, the Tennessee Housing Development Agency, the LaFollette Public Housing Authority, and the Oak Ridge Public Housing Authority.

Agencies Providing Similar Types of Services Through Different Programs/Other Organizations Providing Similar Services to Those Provided by the Human Resource and Community Action Agencies

The need for coordination and cooperation among program staff as well as among agencies becomes particularly apparent when considering the similar types of services (which may have a variety of different funding sources) that are offered in the same counties by the human resource and community action agencies. Emergency services (which provide assistance with utilities and rent, and in some cases food) are offered through programs such as the Community Services Block Grant and Emergency Food and Shelter; assistance with utilities is also provided through the Low-Income Home Energy Assistance Program. Transportation services are provided not only by agencies operating the Rural Public Transportation Program, but also by agencies that operate their own vans to provide services to clients, particularly the elderly and disabled.

In addition, Tennessee's human resource and community action agencies are not the only service delivery entities providing social service programs and services to the state's citizens. Across the state there are a variety of nonprofit agencies, both public and private, as well as other state agencies delivering many of the same or similar programs as the agencies included in the scope of this report. Agencies like the Salvation Army and the United Way as well as churches and other local organizations provide many of the same types of services—food banks, rental assistance, utility assistance—as do the human resource and community action agencies. Despite this potential for overlap and duplication of services, there does not seem to be a great deal of coordination among the various types of agencies delivering these services.

Some human resource and community action agencies have begun to develop strategies to coordinate the delivery of these social services to Tennessee's low-income citizens. For example, the Highland Rim Economic Corporation has "Community Partnership Agreements" with several agencies, including the Houston County Senior Citizens Center, the Tennessee Housing Authority, the Tennessee Department of Human Services, the Houston County Health Department, the Bethesda Mission, and the Erin Housing Authority. According to the agreement, these agencies have "agreed to partner [with Highland Rim Economic Corporation] in providing services to the low income families in [the] service area" so that "each organization [is better able to] serve the needs of [area families]." In addition, the executive director of the Northwest Tennessee Economic Development Council indicated that his agency had partnership agreements with organizations such as local education agencies, regional health departments, DHS, local utility providers, and civic organizations and that agency staff were members of county interagency councils (which had representatives from service providers such as the United Way, churches, and other community-based organizations).

In another example, the Northeast Tennessee Empowerment Team (NEET) was formed in January 1999. NEET is made up of a group of Northeast Tennessee agencies that joined together to form a regional human service coalition. Agencies participating as part of NEET include the Upper East Tennessee Human Development Agency; the First Tennessee HRA; the Northeast Tennessee Community Services Agency; and the Tennessee Departments of Education, Health, Human Services, and Children's Services. According to the meeting minutes, the agencies involved agreed to "form a regional coalition to discuss how to . . . better work together to provide services, search for funding opportunities, and advocate as one voice." A goal of the coalition was to increase the level of collaboration and communication among area agencies in order to avoid duplication of services, make more efficient use of funding, and support area economic development. Some possible strategies for doing this included sharing information (e.g., agency needs assessments), establishing a "clearinghouse" for disseminating information, and collecting impact data. When we visited the agencies in the First Tennessee region of the state during summer 2000, NEET was still in the process of developing its coordination strategy.

Administrative Costs

Table 3 details the agencies' total expenditures and administrative costs (as reported in their most recent available audited financial statements—fiscal year 2000 for all agencies but one for which 1999 was the most recent available), as well as a calculation of the percentage of total expenditures that administrative costs represent. (The administrative cost amounts reflect amounts identified in the financial statements as administrative costs or indirect costs, plus audit expenditures if these were broken out separately.) Although there is some variation in the items agencies include as administrative costs, items typically include salaries and fringe benefits for the executive director, administrative/executive assistant, receptionist, fiscal staff, and purchasing staff, as well as related supplies, travel, rent, utilities, postage, and telephone costs. As expected, the larger agencies (which for the most part operate more programs, serve more counties, and have more staff and more office space) typically have higher administrative costs; these costs, however, usually account for a smaller percentage of the agency's total expenditures. Agency administrative costs as a percentage of total expenditures ranged from 4 percent to 14 percent; 13 of the agencies had percentages of 5.9 or less. The three agencies with the highest percentages—from nearly 11 to 14.1 percent—serve only one county, had total expenditures of less than $1.1 million, and are located in East Tennessee. In comparison to most of the other HRAs and CAAs, these three agencies have low administrative costs (less than $130,000); however, because of their low total expenditures, a much greater portion of those expenditures must be used for administration, rather than for programs.

Table 3
Agency Administrative Costs
Fiscal Year 2000

Agency	Counties in Agency's Service Area	Administrative Costs	Total Expenditures	Administrative Costs as % of Total
Anderson County CAC (1)	1	$67,372	$478,214	14.1%
Blount County CAA	1	$116,988	$1,076,355	10.9%
Bradley-Cleveland CSA	1	$129,760	$1,073,423	12.1%
Clarksville-Montgomery County CAA	1	$104,965	$2,405,268	4.4%
Cordell Hull EOC (2)	4	$142,874	$3,136,827	4.6%
Douglas Cherokee EA	6	$464,983	$10,131,723	4.6%
Highland Rim EC	4	$128,688	$2,569,334	5.0%
Mid-Cumberland CAA	7	$312,345	$7,892,037	4.0%
Mid-East CAA	2	$143,575	$2,463,872	5.8%
Northwest TN EDC	9	$565,065	$13,182,136	4.3%
Upper East TN HDA	8	$442,131	$9,881,524	4.5%
Delta HRA	3	$193,589	$2,031,245	9.5%
East Tennessee HRA/ Mountain Valley EOA (3)	ETHRA – 16 MVEOA – 4	$1,031,433	$19,634,738	5.3%
First Tennessee HRA	8	$331,802	$5,499,217	6.0%
Mid-Cumberland HRA (4)	12	$484,317	$7,141,878	6.8%
Northwest TN HRA (5)	9	$211,829	$3,255,420	6.5%
South Central HRA	13	$582,185	$12,044,034	4.8%
Southeast TN HRA	8	$377,244	$6,382,908	5.9%
Southwest HRA	8	$468,723	$8,697,018	5.4%
Upper Cumberland HRA	14	$784,716	$15,777,856	5.0%

(1) Total expenditures include $208,104 in donated food (value estimated by agency).

(2) Data is for fiscal year 1999; fiscal year 2000 information was not yet available.

(3) MVEOA operates the Community Services Block Grant program in four counties within ETHRA's service area. MVEOA has no separate administrative staff, and all MVEOA staff/expenditures are considered staff/expenditures of ETHRA.

(4) Total expenditures include proprietary fund expenditures under the Home Health Services Fund.

(5) This HRA shares location, administrative staff, and an executive director with the Northwest Tennessee Development District.

Source: Agency audited financial statements.

Actions Agencies Have Taken to Reduce Duplication and/or Administrative Costs

Development Districts Where HRAs and CAAs Merged to Form a Single Service Provider

During the early 1980s, several human resource and community action agencies along the southern border of the state either merged with or evolved into a human resource agency (see Exhibits 1 and 2). For example, within the boundaries of the South Central Tennessee Development District, the Elk and Duck Community Action Agency merged with the South Central HRA in 1982, creating a single human service delivery agency for the 13-county region. A similar situation occurred in 1984 in the Southwest Tennessee Development District when the Chickasaw Area Development Commission, the area's community action agency, reorganized under *Tennessee Code Annotated*, Section 13-26-101, to form the Southwest HRA. Within the boundaries of the development districts along the northern and eastern borders of the state, however, service areas of the human resource and community action agencies still overlap.

Administrative Agreement Between the East Tennessee Human Resource Agency and the Mountain Valley Economic Opportunity Authority

The East Tennessee HRA operates the Mountain Valley Economic Opportunity Authority under a management agreement with the Mountain Valley Board of Directors. The board approached East Tennessee HRA in the late 1980s about a possible merger between the two agencies. In lieu of a merger, the two agencies entered into a management agreement that brought Mountain Valley's programs under the East Tennessee HRA management umbrella while allowing them to maintain a separate board of directors. Mountain Valley EOA primarily operates programs under the Community Services Block Grant. Both agencies report that Mountain Valley has benefited from its relationship with East Tennessee HRA, most notably in its ability to pull from that agency's large pool of regional resources. Although the agencies maintain separate boards of directors, the same person serves as the executive director for both agencies. Under the administrative agreement with East Tennessee HRA, the Mountain Valley EOA does not maintain a separate administrative staff; rather, all employees work for East Tennessee HRA.

According to a Tennessee Department of Human Services (DHS) official, the department has concerns about this relationship because although Mountain Valley has the board structure required for CSBG agencies, East Tennessee HRA (which acts as the administrative agent for Mountain Valley's CSBG funds) does not. Board structure is also a concern for several other HRAs that receive CSBG funds (see page 135); as of August 2001, DHS had received a technical assistance grant from the Office of Community Services to hire a consultant to assist the state in developing an alternative mechanism for agency board composition that would also meet the requirements of the CSBG program.

Co-location of Northwest Tennessee HRA With the Northwest Tennessee Development District

The Northwest Tennessee HRA shares a central office location, an executive director and other administrative staff, and a board of directors with the Northwest Tennessee Development District. According to the executive director, this arrangement allows both agencies to save on

administrative costs and also provides the HRA a close interaction with a major funding source. (The Northwest Tennessee Development District is the Area Agency on Aging in the nine-county Northwest Tennessee area and, as such, funds Northwest Tennessee HRA's programs for the elderly.) See page 83.

Conclusions on Duplication of Services

In evaluating duplication of services, we focused on the agencies included in the scope of this audit—those 12 community action agencies and 9 human resource agencies specified by the General Assembly. Although these agencies play a significant role in the state's delivery system for human and community services, there are hundreds of other agencies (state and local, public and private, nonprofit and for profit) providing some of the same or similar services throughout the state. This abundance of service providers makes it difficult to get a true picture of the extent of duplication of services.

Our review of the human resource and community action agencies indicated that direct duplication of service was rare; in most cases, an HRA and a CAA do not offer the same program in the same county. The greatest potential for duplication of services appears to be in situations where multiple entities of varying types are providing similar services.   In such circumstances, there is a definite need for cooperation and coordination among agencies, including the sharing of information and a county-wide or region-wide planning process. Although there were exceptions, it seemed (based on interviews with staff and file reviews) that coordination and cooperation, if they existed, were not always formalized and that agencies were more willing to coordinate and cooperate with service providers such as churches or the Salvation Army rather than the providers that they considered to be their direct competitors (i.e., the CAA or HRA that shared their service area).

There is substantial overlap in the service areas of human resource and community action agencies—48 counties are covered by both types of agencies. In some areas of the state (e.g., Upper East and Northwest), the HRAs and CAAs that share a service area appear to have cooperated to some extent in that each focuses on certain program areas and competition is minimized. In other areas, particularly Middle and East Tennessee, there appears to be more competition for programs, with sometimes divisive results (for example, the competition for Caney Fork's CSBG program and for the Child Care Broker Program in Middle Tennessee—see pages 44 and 17).

The decision to decrease overlap in service areas (whether through combining agencies, terminating agencies, or withdrawing state funding) is a political decision that needs to be made with input from both state and local leaders and officials, as well as clients, on a case-by-case basis. Federal funding agencies should also be consulted to ensure that no actions are taken that threaten federal funding or conflict with federal funding requirements. Service delivery in a particular area may be strengthened by having both a CAA and an HRA; in other areas, service delivery might be improved and administrative costs decreased by, for example, combining the two entities, as was done in the 1980s in the southern part of the state.

Certainly, small agencies which serve few counties, operate fewer programs, and have relatively high administrative costs are at a disadvantage in competing with larger, better funded agencies. The loss of one major program or funding source could result in serious financial difficulties for a small agency, as happened with the Caney Fork Development Corporation (see page 44). Some persons we interviewed expressed the belief that larger agencies with many counties in their service area did not have as much personal knowledge of the needs of the county and would not provide the same level of service as a smaller agency would. Conversely, the larger agencies may have more resources to hire staff and operate expanded programs that provide better opportunities for clients to improve their lives.

OUTCOME MEASURES

Human service programs have traditionally measured output, not outcomes. Output measures are important because they demonstrate that an organization is providing a service, but output measures cannot be used to gauge the impact that those services have had on the clients or the community served. Examples of output would be the number of elderly clients receiving Meals-on-Wheels or the number of clients who are receiving energy assistance from the Low-Income Home Energy Assistance Program. To convert output measures into outcome measures, an agency or program must be able to track how the provided services made a difference in the client's life. Program outcomes are the benefits or changes for clients or a community that are produced as a result of participation in a program. Outcomes describe changes in attitude, knowledge, behavior, condition, or capacity. (See Table 4 for some examples of program outcomes.)

Table 4
Program Outcome Model*

Activities	Output	Outcomes
Activities or services performed within a program area to fulfill its mission	**The direct products of program activities**	**Benefits for participants during and after the program activities**
Meals-on-Wheels	1,000 elderly clients received weekly Meals-on-Wheels during the year.	800 of the 1,000 clients were able to maintain an independent living situation.
Weatherization Assistance Program	25 clients' homes were weatherized.	15 of the 25 clients had lower energy bills after participating in the program.
Homemaker Assistance	100 clients received in-home services like light house cleaning.	80 of the 100 clients were able to maintain an independent living situation.

* Adapted from a model developed by the United Way of America (1996) in *Measuring Program Outcomes: A Practical Approach.*

As part of the legislation mandating this audit, Sections 4-29-102 (c)(3) and (4), *Tennessee Code Annotated*, state the following:

> there is no systematic on-going effort, using objective outcome measures, to evaluate human and community service and action organizations . . . [these] organizations, including, but not limited to, community action agencies and human resource agencies, were authorized by state law and receive state appropriations and/or state-administered funds and/or contract with various state departments to provide services to Tennessee residents. Therefore, these agencies should be independently evaluated, using objective outcome measures. Such outcome measures will be defined by the reviewing entity and will include, but not be limited to: (A) The extent to which the low-income clients served by the entities have become more self-sufficient; (B) The extent to which the low-income clients have improved their lives through increased employment; (C) The extent to which agency clients have been able to move to permanent, standard housing from substandard temporary housing; (D) The extent to which clients participate in community groups; and (E) The extent to which administrative resources are used efficiently in relation to programmatic resources.

In order to identify areas of strength and weakness and take steps to improve performance if necessary, agencies need information on program outcomes, i.e., how effective their programs are in helping clients achieve certain goals and thereby improve their lives. Such information is also needed by state and federal agencies (as well as other funding entities) so that they can make the best possible decisions concerning allocation of scarce resources and the awarding of grants and contracts. In attempting to evaluate the outcomes achieved by the human resource and community action agencies, however, we found that the information necessary for such an evaluation did not, for the most part, exist.

Some programs have implemented or are in the process of developing outcome measurement systems; however, during our audit fieldwork, outcome data were not yet available for most agencies and most programs. The Community Services Block Grant program has a system (Results Oriented Management and Accountability, or ROMA) for measuring program outcomes, but agencies in Tennessee are at different points in implementing ROMA, and during our fieldwork most were only in the beginning stages of collecting outcome data. (According to the Department of Human Services' Director of Community Services, fiscal year 2001 data, which must be reported to the federal government by March 31, 2002, will represent the first year of good, consistent statewide outcome data. Fiscal year 2000 data were reported to the federal government in March 2001, but were not consistent statewide.)

The Workforce Investment Programs implemented a system of performance measures in January 2000, but data were not yet available during our 2000 fieldwork. Head Start, which has had a series of performance standards for some time, is now developing results-based performance measures that can be incorporated as a part of program assessment. The Department of Human Services contracted with the University of Memphis to develop a performance index to provide feedback on how well child care brokers are performing their duties. The Community Corrections Program has performance-related program goals for

recidivism, caseloads, and rate of successful terminations. (See page 131 for a discussion of which agencies met, or failed to meet, those goals.) Some other programs, such as Low-Income Home Energy Assistance and the various Aging Programs, are moving toward performance/outcome measurement but are just in the initial phases of developing systems. For the most part, these various outcome measurement efforts are being initiated at the federal level, and our conversations with officials in other states (see page 46) indicated that Tennessee's progress is generally consistent with other states, although Tennessee appears to be ahead of some other states in implementing ROMA. According to Department of Human Services officials, Tennessee's ROMA implementation and training materials won a national award in March 2001.

The implementation of a system to develop, track, and report outcome measures is time consuming and may require extensive training and improvements in computer capabilities to be successful. Many human resource and community action agency staff we interviewed did not have a clear understanding of outcome measures, why measures were important, and how they could be used for the agency's various programs. In addition, most of the agencies we visited did not have the information systems in place to track clients beyond the short term. For many programs, tracking of clients throughout the program and even after they leave the program is necessary to truly determine whether program goals such as self-sufficiency, finding and keeping a job, or receiving a high school diploma or college degree have been achieved.

In the sections below, we describe in more detail the ROMA system for measuring program outcomes. In addition, we discuss how the use of scales can help agencies better assess program performance, by focusing on incremental progress made to improve a client's life rather than on more general long-term goals (e.g., total self-sufficiency) which may never be met. Finally, we discuss some issues to consider when developing outcome measures and provide examples of possible measures for some of the major programs we reviewed. (Also, see page 137 for a discussion of issues concerning agency data systems that need to be resolved in order for client monitoring and tracking to work efficiently and effectively.)

Results Oriented Management and Accountability (ROMA)

The Government Performance and Results Act

In 1993, the United States Congress passed the Government Performance and Results Act (GPRA). Under the provisions of this act, government agencies that accept responsibility for using public funds will be held accountable for their activities. Performance-based government emphasizes the use of management systems that report the extent to which public purposes are accomplished and uses these measures to improve program performance. Performance-based government emphasizes program results, not the process of providing services.

In 1994, the U.S. Office of Community Services (OCS) established the Community Services Block Grant Monitoring and Assessment Task Force. The task force was given the responsibility of creating a monitoring and assessment tool for human services programs in accordance with the provisions of GPRA. One of the task force's main goals was to incorporate

the use of outcome measures into its monitoring and assessment tool. The result of the task force's work was "Results Oriented Management and Accountability," or ROMA.

Results Oriented Management and Accountability

ROMA provides a common language for agencies to use in measuring the impact of CSBG programs on clients, the community, and the agency itself. ROMA does this by changing the way agencies report what they are doing with CSBG funds. In addition to measuring the number of clients served and the number of services provided, ROMA can be used to track what happens to clients as a result of the service or services that an agency provided. ROMA can also be used to measure the extent to which a service or program has achieved its goals and objectives.

The Office of Community Services (OCS) has recognized that in the day-to-day operation of CSBG programs, it is difficult to track clients long enough to determine what changes may have been produced by program participation. In spite of this, ROMA challenges agencies to measure program outcomes and gauge long-term impacts on the clients and communities served.

Using National Goals and Measures

OCS wanted the task force to develop a monitoring tool that could be adapted for use by a variety of human resource and community action programs. For that reason, the task force designed ROMA to be flexible enough to meet the needs of the various types of programs funded by the Community Services Block Grant (CSBG). The basic framework of ROMA consists of six broad national goals divided into three categories: two agency goals, two community goals, and two client/household goals. Under each of the six broad goals, the task force listed "suggested outcome measures" that are generally produced by CSBG programs. (See Appendix C for a list of the six goals and the suggested direct outcome measures.) To date, the Office of Community Services has not mandated that CSBG agencies report on the same measures; they only require that agencies report on at least one measure for each of the six goals. With ROMA, agencies are given the flexibility to develop their own ROMA framework by selecting one or more of the suggested measures, revising the suggested measures, and/or creating measures of their own. The Office of Community Services has indicated that eventually, certain measures will be mandated so that data can be aggregated. At this time, however, the office only requires that individual CSBG agencies address those goals that the agency has selected for its particular agency and programs.

ROMA Implementation in Tennessee

In July 1997, the Tennessee Department of Human Services (DHS) entered into a three-year contract with the University of Tennessee College of Social Work, Office of Research and Public Service (UT SWORPS). Under the terms of the contract, UT SWORPS was to act as the technical advisor for implementing ROMA in Tennessee's CSBG-funded agencies. Before implementing ROMA in all Tennessee CSBG agencies, UT SWORPS conducted a pilot project with three East Tennessee community action agencies: Blount County Community Action

Agency, Douglas-Cherokee Economic Authority, and Knoxville-Knox County Community Action Committee. These agencies were selected to ensure that the pilot group included one of each of the three types of Tennessee agencies: a single-county rural agency, a multi-county rural agency, and a metropolitan agency.

During the first year of the contract, UT SWORPS worked with a task force from each of the pilot agencies to develop an implementation plan. During the second year of the contract, the three pilot agencies introduced ROMA into their CSBG programs. ROMA was implemented statewide during the third year of the contract. Three of the agencies included in this audit—First Tennessee HRA, Mid-Cumberland HRA, and Northwest Tennessee HRA—do not receive CSBG funding and, therefore, are not involved in the ROMA implementation. As a result, these agencies have had less exposure to the use of outcome measures and may need additional assistance if they are required to implement a system of outcome measures for the programs they offer. (East Tennessee HRA also does not receive CSBG funding, but agency staff administer the CSBG program through Mountain Valley EOA and are, therefore, familiar with ROMA.)

UT SWORPS and DHS personnel stated that the Office of Community Services does not consider ROMA to be a form of performance-based contracting; rather, it is a tool to be used by the CSBG agencies to evaluate their own performance and plan for the future needs of their communities. Although ROMA has now been implemented statewide, some agencies are further along in their implementation and understanding than others. Most agencies have been successful in developing accurate output numbers, but some agencies, especially the smaller one- and two-county agencies, are still struggling with the process of converting this output into outcomes.

Department of Human Services personnel stated that the OCS has recognized Tennessee's success in implementing ROMA. "The Guide to Implementing ROMA for CSBG Agencies in Tennessee," developed in part by UT SWORPS and the pilot agency task forces, has been used by the OCS as a model for other states to follow. DHS personnel also stated that programs that measure outcomes (like ROMA) take time to establish. There is a great deal of work involved in collecting accurate baseline data, developing reliable monitoring and data collection systems, and teaching agency personnel how to accurately report outcomes. Tennessee's human resource and community action agencies are just now in the beginning stages of developing these types of systems.

Measuring Clients' Progress Through the Use of Scales

As discussed above, agencies receiving Community Services Block Grant funds are beginning to understand and evaluate outcomes through the implementation of ROMA. Helping clients attain/maintain the highest level of self-sufficiency possible is the primary goal of many of the programs operated by these agencies, and ROMA provides them with the tools to determine the impact of their programs. However, many CSBG program directors and staff do not believe self-sufficiency can be attained for some program recipients, nor can it be measured in exact terms. For many of these agencies' clients, it may be more useful to measure progress by focusing on interim steps along the way to self-sufficiency, rather than focusing just on the

ultimate goal. Using scales is one way agencies can better quantify clients' progress. According to *Community Scales: A Ladder to the Twenty-First Century,* issued by the CSBG Monitoring and Assessment Task Force, "a scale is a continuum which describes different states or conditions of status."

The task force indicated that the use of scales has three advantages. First, scales can measure concepts not easily quantified. Agencies can use scales to assign values to easily identified, discrete conditions (e.g., weekly income and education levels). Agencies can then combine these values into a single measure that can be used to assess a complex idea such as self-sufficiency. Second, agencies can use scales to measure intermediate steps or progress toward a goal. For example, one can assess short-term progress toward self-sufficiency. By measuring interim success toward a goal, agencies can motivate stakeholders in their operations, including clients, staff, and funding sources. As many clients' progress toward self-sufficiency is slow, it is important to measure incremental progress. In some cases (elderly clients with fixed incomes, for example), scales can help measure whether agencies improve clients' quality of life and continue to maintain what self-sufficiency clients already have. Third, information on progress toward reaching goals can be combined through the use of uniform data and compared across agencies with similar operations, both statewide and nationwide.

According to the task force, scales can be developed to measure outcomes at the family, agency, and community levels (see Table 5). These different types of scales measure changes in outcomes in different ways:

- Family-level scales measure changes one family at a time. The dimensions for change may include status of employment, education for adults and children, family functioning, income, and health.

- Agency-level scales measure changes in a single agency or a program within an agency. The dimensions for change may include client satisfaction, cultural sensitivity and competency, funds development, and fiscal or administrative health.

- Community-level scales measure change in community systems or conditions. The dimensions for change include public policy, equity, civic capital, service and support systems, and economic opportunity. (See page 36 for a discussion of these dimensions for change.)

There are linkages between these three different types of scales. For example, an agency scale may use data collected by a family scale to determine the effectiveness of case management services. In addition, an agency scale can use information collected by a community scale to determine the effectiveness of advocacy activities.

Table 5
Characteristics of Self-Sufficiency Scales

Characteristics	Types of Scales		
	Family	Agency	Community
Unit of Measure	One client or family at a time	An agency or program	A community condition or system
Dimensions of Change	• Income • Education • Family Functioning • Transportation • Employment • Housing • Basic Needs • Community Involvement • Substance Abuse • Child Care • Health	• Governance • Collaboration and Partnerships • Compliance • Cultural Sensitivity • Workforce Environment • Planning, Measurement, and Evaluation • Communications • Information Management	• Public Policy • Equity • Civic Capital • Service and Support Systems • Economic Opportunity
Duration of Change	Endures beyond the agency's investment	Stops when agency's investment stops	Endures beyond the agency's investment
Aggregation Level	Agency or program	Agency or State	Agency or State
Scale Thresholds	• Thriving • Safe • Stable • Vulnerable • In Crisis	• Thriving • Safe • Stable • Vulnerable • In Crisis	• Thriving • Safe • Stable • Vulnerable • In Crisis
ROMA National Goals	<u>1 and 6</u> 1. Low-income people become more self-sufficient. 6. Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems.	<u>4 and 5</u> 4. Partnerships among supporters and providers of services to low-income people are achieved. 5. Agencies increase their capacity to achieve results.	<u>2 and 3</u> 2. The conditions in which low-income people live are improved. 3. Low-income people own a stake in their community.

Source: CSBG Monitoring and Assessment Task Force.

We studied scaling systems developed by the Missouri Association for Community Action and the CSBG Monitoring and Assessment Task Force. These scales are described below. In addition, we assessed the development and use of scales in Tennessee.

<u>Missouri ROMA Family Self-Sufficiency Scale</u>. The Missouri Association for Community Action developed a ROMA Family Self-Sufficiency Scale to measure clients' incremental progress toward self-sufficiency in long-term case management programs. The association developed the scale, with the assistance of a consultant from the University of Chicago, through a team-based approach. The scale uses measurable poverty indicators identified by the

association as most important. During spring 1999, the consultant provided training on the scale for Missouri community action agency staff. After field testing, the scale was implemented by all 19 community action agencies in late 1999. According to the consultant, minor revisions have been made to the scale as a result of agency input, and Missouri's Head Start programs are in the process of implementing the scale. The consultant stated that the scale could be transferred for use in other states.

The main purposes of the Missouri ROMA Self-Sufficiency Scale are to help assess progress toward self-sufficiency and to provide information useful in evaluating the effectiveness of programs in assisting clients make such progress. For the purposes of the scale, "family" is "any group of persons residing in one household." However, individuals just sharing living quarters with different goals and/or separately financially managed should be classified as living in different households. The scale has five components:

- The *Interview for Scale Administration* assists each client in choosing the appropriate subscale response relating to the current situation.

- The *Family Self-Sufficiency Scale* consists of 12 subscales associated with poverty (Educational Attainment, Academic Skills, Income, Employment, Health Insurance, Physical Health, Mental Health and Substance Abuse, Housing, Food, Child Care, Transportation, and Psychosocial and Environment Stressors). Early knowledge relating to these subscales should help agency staff minimize difficulties clients have in trying to become self-sufficient.

- The *Scaling Worksheet* is a visual aid to help clients and agency case management staff assess the degree of progress toward self-sufficiency.

- The *Goal Planning Worksheet* is another visual aid to track interactions between clients and agency staff and verify whether goals have been reached.

- The *Case Notes* and *Quarterly Reporting Forms* are tools used by agency staff to verify interactions with and on behalf of clients.

Case management staff administer the scale after the first few visits with a family, every three months, and at case closure. After the staff explain the scale's purpose, family members should help identify the areas they wish to improve. Agency staff and family members should try to reach a consensus on descriptions of each subscale which best describes the family's current situation (e.g., availability of food or quality of housing). A good, open relationship between case management staff and the family is important to help ensure that all necessary information is collected.

The CSBG Monitoring and Assessment Task Force's Community Scaling Tool. The task force developed the Community Scaling Tool to determine community action agencies' incremental progress (at the community level) in making individuals self-sufficient. The information obtained by this scale provides agencies a framework to reassess their efforts in helping their clients. The framework can also help community action agencies improve collaboration with

their local partners. In addition, community-level scales can help community action agencies determine how community changes affect the progress of individual families toward self-sufficiency.

For purposes of its Community Scaling Tool, the CSBG Monitoring and Assessment Task Force defines community as "any grouping of individuals who share common distinguishing characteristics (including residency)." The scale has two main goals regarding information to assess:

- the extent to which conditions in which low-income people live are improved

- the extent to which low-income people own a stake in their community

As previously mentioned, community scales can have five dimensions for change. These five dimensions "are designed to be broadly inclusive of both *community conditions* and *community systems*," according to the CSBG Monitoring and Assessment Task Force's *Community Scales: A Ladder to the Twenty First Century*. Specifically,

- *Public Policy* refers to both formal, written policies of the community as well as unstated norms adhered to by the general population. Zoning ordinances are an example of a formal, written policy. Zoning ordinances may or may not be ignored by the public and simultaneously enforced or not enforced by local officials.

- *Equity* covers both economic and social distributions of power, opportunity, access, and freedoms. Sexism and racism are examples of equity issues.

- *Civic Capital* captures any activity which a person participates in outside of his or her immediate family unit, including volunteer, social, recreational, religious, and citizenship activities. Civic Capital can also refer to a group of people extending their participation in the community beyond their usual sphere (e.g., corporate service projects).

- *Service and Support Systems* include all social and human services such as public safety, health, education, child care, housing, justice, infrastructure, and government services. Gaps in the "safety net," the extent of collaboration between agencies, and the comprehensiveness of services are examples of community conditions and systems interactions within this dimension.

- *Economic Opportunity* captures the business climate, the labor market, the diversity of the economic base, entrepreneurship, capital stakeholding, and capital resources. Examples of activities within this dimension include strategies to attract or retain jobs, increase job retention and promotion, match labor skill levels with available jobs, and improve new business success rates.

These five dimensions are arranged in a matrix format (see below), sharing a common set of five thresholds: thriving, safe, stable, vulnerable, and in crisis.

Community Scaling Tool

Thresholds	Dimensions				
	Public Policy	Equity	Civic Capital	Service and Support Systems	Economic Opportunity
Thriving	Innovative	Achieves Equity and Values Differences	Investing	Comprehensive and Integrated	Vibrant
Safe	Supportive	Affirming	Contributory	Preventive	Emerging
Stable	Selective or Reactive	Toleration and Awareness	Participating	Comprehensive but Reactive	Stagnant
Vulnerable	None or not Enforced	Complacent and Uninformed	Awareness and Education	Responsive but not Comprehensive	Contracting
In Crisis	Hostile	Conflict and Fear	Isolation	Non-Responsive	Collapsed

Source: CSBG Monitoring and Assessment Task Force.

As part of the ROMA training for the 1998 Spring Conference of the Tennessee Association of Community Action, the University of Tennessee College of Social Work, Office of Research and Public Service (UT SWORPS), offered "Introduction to Scales: An Overview of Scaling Systems for Measuring Incremental Change in Families, Agencies, and Communities in Tennessee." The training manual included the definition and examples of scales as well as a discussion on the benefits and use of scales to measure the three levels of ROMA outcomes: family, agency, and community. The material covered in the manual closely reflects the scaling system developed by the CSBG Monitoring and Assessment Task Force.

Although information on scales has been available to agencies since 1998 and many CSBG personnel expressed interest in using scales, no agency was using a scaling system to measure the impact of a program or service during our fieldwork. According to UT SWORPS, agencies need to grasp the basic tenets of ROMA before advancing to the complexity of scales. As we stated in previous sections, agencies are in different phases of implementing ROMA and collecting outcome data. Furthermore, the agencies included in the scope of the audit that do not receive CSBG funds have not been exposed to ROMA training. The Department of Human Services and UT SWORPS decided not to implement scales until they could agree on a scale that was easy to use and made sense to Tennessee's programs.

In its training packet, UT SWORPS included a lengthy discussion on factors to consider when constructing and implementing scales. Pros, cons, and cautions are presented below.

	TYPE OF SCALE	
	Mutually Exclusive	**Multiple Indicators**
Pros	• Can be easily administered with little training and follow-up • Can be easily computerized • Can be easily scored by computer to eliminate caseworker bias	• Allows flexibility for casework staff • Allows multiple indicators to be considered • Can present a better picture of quality of life
Cons	• Limited flexibility for caseworker staff • Limited choice of indicators/ conditions of status	• Requires intensive supervision to ensure consistency (reliability) • Harder to eliminate caseworker bias • Harder to computerize
Cautions	• Choices must fairly represent real conditions	• Each indicator must be followed through the entire scale

UT SWORPS lists the following as common mistakes in constructing scales.

- Family, agency, and community level indicators are mixed up on a single scale.

- "Thriving" is used to describe the end result of a program's activities instead of being used to describe the end result of the client, agency, or community goal.

- Statistical measurements are scaled without regard to a program's actual ability to affect those measurements.

- "Stable" is viewed as the "normal" condition of status, even though the "normal" condition is what the program is trying to change.

- Indicators are not followed consistently through the cells of a single scale.

- A scale uses jargon or language specific to one funding source.

UT SWORPS recommends creating a matrix (a series of scales arranged side by side) to assess incremental changes in specific areas. A matrix can be used to break apart the pieces of a complex story and identify relationships between different dimensions of a problem.   The Monitoring and Assessment Task Force's Community Scaling Tool on page 37 is an example of a matrix.

Developing Performance Measures

For some programs (e.g., Community Corrections) the funding agencies may set specific performance standards that provider agencies are expected to meet. For other programs (e.g.,

Community Services Block Grant), the funding agencies may set overall goals and outcome measures, but give the provider agencies discretion as to the specific measures they develop and track. Even within a particular program, the same set of outcome measures may not be appropriate for the various agencies offering that program's services. Differences in agency focus, community needs, and available staff and technological resources may all affect the type and number of measures tracked. When developing measures, agencies need to select a manageable number of measures that focus on the important desired benefits they hope to provide or changes they hope to make in clients' lives. According to the United Way's 1996 manual *Measuring Program Outcomes: A Practical Approach*, the items selected need to be observable, measurable, and unambiguous. In addition, agencies need to obtain input not only from funding agencies, but also from board members, program staff, community leaders, and program participants when identifying potential measures.

See Appendix D for examples of possible outcome measures for some of the programs offered by the community action and human resource agencies included in the scope of this audit. These examples are very general and, as noted above, may not be appropriate for a particular agency. The U.S. Office of Community Services' outcome measures for the Community Services Block Grant program can be found in Appendix C.

SERVICE DELIVERY MODEL COMPONENTS

In an attempt to be consistent in our evaluation of 21 human resource and community action agencies (HRAs and CAAs) which are located across the state and vary in size, focus, and programs offered, we focused our review on seven components of a service delivery model that we believe are needed to ensure that services are provided efficiently and effectively to those agencies' clients.

Needs Assessment—There is a formal process for determining the needs of citizens in the service area. The needs assessment is updated periodically. Clients or potential clients are involved in the process, as are representatives of advocacy groups, local government executives, and civic and community leaders. Clients are also involved in the needs assessment process, through membership on or routine input to the agency's board of directors.

Outreach and Referral—The agency has a system in place to help ensure potential clients know about the available services and how to access them. Agency staff speak at neighborhood meetings and receive media coverage. Program information is available at locations frequented by potential clients; information is simple, easily understandable, and contains specifics on eligibility requirements and where and how to obtain the service. Information is available in multiple languages, if needed.

If the region has multiple service providers but no joint intake (see below), agency staff coordinate with other service providers to ensure that clients know about all available services. Clients receive specific referrals (contact person, location, phone number) to other agencies. Agency staff keep track of referrals made and follow up with clients and/or the referred agency to determine services provided, outcomes, etc.

Access to Services—Clients are able to physically access all needed services with a minimum of travel time and inconvenience. Clients do not have to go to different locations to receive most of the basic services (some services such as Head Start probably require separate locations). Program service providers and sites are relatively constant from year to year. Public transportation or transportation provided by the program is available if needed. ("One-stop shopping" through co-location of services is the ideal, although this may not be possible in all cases.)

Intake/Eligibility Determination—Clients can go to one central location to determine what services are available and what services they are eligible for. Clients fill out one form (rather than many) to determine eligibility for various programs. When possible, staff require supporting documentation to determine eligibility. If there are multiple service providers in the region, those providers conduct joint intake and assessments whenever possible.

Case Management—Ideally, clients are assigned a case manager who (1) coordinates service delivery, (2) ensures that clients receive all needed services for which they are eligible (but don't receive duplicate services), (3) follows their progress and recommends changes in services/makes referrals as needed, and (4) maintains service provision and outcome data (see below).

Client Monitoring/Tracking—The agency maintains a client database (or other file system) that allows staff to track services provided to clients over time and across programs. Agency staff routinely monitor and evaluate this data to identify trends/ duplication of services, determine additional service needs, and assess program effectiveness (see below). If there are multiple service providers within the region, they share client service data for similar programs when feasible.

Performance Measures/Outcomes—For each program it provides, the agency has developed specific outcome measures (desired program results) for use in evaluating program effectiveness. Rather than just one desired end result, the agency may identify a continuum of outcomes (e.g., from total dependence on program assistance, through several levels of decreasing dependence, to self-sufficiency). The agency tracks clients over time and across programs and may conduct follow-up surveys, inquiries, etc., to determine program effectiveness. Agency management compares desired results to actual results and uses the information to identify areas of program/staff strength and weakness and make needed changes. Federal and state (or other funding) agencies use the information to (1) identify those programs and those agencies which are most effective and (2) direct scarce resources to effective programs and service providers.

The components above are addressed, along with the duplication of services issue, in the individual program sections beginning on page 52. Below are our general overall conclusions on agencies' activities in each of the component areas.

Comparison of Agency Operations to Service Delivery Model

Needs Assessment

The 17 community action and human resource agencies that participate in the Community Services Block Grant (CSBG) program are required to submit an annual plan, which includes a community needs assessment (see page 53). Most agencies use this CSBG needs assessment for the rest of their programs as well, rather than performing needs assessments for individual programs. The non-CSBG agencies performed periodic needs assessments or client surveys for some individual programs such as transportation and aging. Needs assessments for employment services (offered by three of the HRAs) are required to be conducted by local workforce investment boards as part of their strategic plans. All Head Start agencies must conduct a community needs assessment once every three years.

Community representatives, including clients, appear to have reasonable input into the needs assessment process, whether through membership on the agency's board of directors or on an agency policy council or task force, or through participation in a public meeting or client survey. However, the extent to which agencies used such information to more fully meet needs (for example, by developing new programs or refocusing current programs) varied. According to DHS' Director of Community Services, the department is changing the needs assessment planning process to require that the agencies complete the process earlier and link it to ROMA outcomes. The department will then review each agency's services package to determine whether the proposed services reflect the agency's plan and the results of its needs assessment. The department will also use the new census data to evaluate the appropriateness of each agency's plan.

As noted above, community needs assessments are typically linked with, and are a part of, the planning process. The planning process also affects many of the other components in the service delivery model; on page 143 we discuss the need for strategic planning of social service delivery. We believe that improved strategic planning is vital to ensuring the efficient and effective delivery of services by the HRAs and the CAAs, as well as by other service providers in the area.

Outreach and Referral

Overall, the agencies appeared to have appropriate systems of outreach in place. Agency staff make presentations throughout the service delivery area, and agencies apparently use the media extensively to inform the public about the services available and the availability of certain types of funds (e.g., emergency heating and cooling funds available through the Low-Income Home Energy Assistance Program). Agency staff prepare and distribute brochures or information sheets on many of their major programs; those we reviewed contained the needed information. Agencies' efforts to distribute this information also appeared appropriate—placing

brochures at locations frequented by potential clients (e.g., placing information on aging programs at senior citizen centers).

One potential area of concern is that some agencies do not advertise services because they already have a waiting list or have all the clients they can handle. Although this action is understandable, it may contribute to the same clients obtaining services repeatedly, while new clients who may be more needy, but do not understand how and when to apply for assistance, are not served.

A major area of weakness identified during our reviews of agency files was the lack of documentation of referrals at most agencies and for most programs. (Head Start clients' files were an exception, with medical referrals generally well-documented.) When questioned about referrals, program staff indicated that they frequently refer clients to other programs or other agencies that might provide additional services and assistance. Clients' files, however, contained little evidence of referrals, and most of the referrals that were documented were to other programs within that agency or to services provided by a state agency (e.g., food stamps provided by the Department of Human Services). In their comments about referrals made to other agencies, program staff most often mentioned referring clients to services provided by churches, the Salvation Army, etc.; they seldom (except in a few cases concerning transportation programs) mentioned referring clients to the HRA or CAA that also provided services in their delivery area. In addition, staff at most agencies appeared to know very little about the services offered by "competing" agencies. Without a strong referral network, clients may not be getting all the services they need; without documentation of referrals, agency staff cannot do the type of client tracking and follow-up that are needed for an effective service delivery system.

Access to Services

Overall, the HRAs and CAAs appear to have done a good job of providing clients reasonable access to the services they need. Most agencies serving multiple counties have an office in each county where clients can obtain most services. In addition, program staff will often assist elderly or disabled clients by bringing program applications to their homes, delivering commodities, etc.

Agencies provide transportation for some programs such as Head Start and certain programs for elderly or disabled clients; the new Job Access program, in which a few of the HRAs participate, provides Families First clients and other low-income persons transportation to and from work. In addition, all counties in the state are covered by the Rural Public Transportation Program, which provides transportation services in nonurbanized areas. Despite the various transportation services available, agency staff frequently listed transportation as a major unmet need for their clients. It appears that transportation is a service that could greatly benefit from increased coordination and cooperation among service providers and from strategic planning on the regional, or at least on the county, level. Improved planning and coordination could help meet clients' needs and also help agencies control transportation costs.

<u>Intake/Eligibility Determination</u>

For the most part, agencies had one central location where clients could go to determine what services are available and which of those services they are eligible for. However, clients still have to fill out individual applications for each program. In addition, we found no instances of joint intakes and assessments with other service providers. Some agency staff indicated that a single application for their agency would be preferable if possible but noted concerns—differing eligibility requirements and information required by the various programs and the possible need to keep some data confidential.

The majority of agency files we reviewed contained documentation that clients met the eligibility requirements for the services they were provided. The extent of documentation varied by program. Client files for CSBG, Head Start, Housing programs, and the Weatherization Assistance Program typically contained documentation of income eligibility. Ninety percent of the LIHEAP files we reviewed contained documentation of income, but evidence that staff had checked compliance with other program requirements (i.e., restrictions on the different types of program assistance a client can receive during the same program year) was lacking. During our reviews of commodities files, we found that although most agencies did a good job of documenting eligibility, some files did not contain documentation that clients were eligible for the Emergency Food Assistance Program. Because resources are scarce and, in many cases, the demand for services exceeds the services available, it is important that only eligible clients are served. Adequately documenting client eligibility better enables agencies to justify their decisions regarding allocation of resources and helps them ensure that they are serving only appropriate clients.

<u>Case Management</u>

Agencies provide formal case management for some programs such as Head Start, Workforce Investment, Community Corrections, and the self-sufficiency programs under CSBG. The case managers are generally responsible for identifying needs, setting goals, making referrals, and meeting with the client periodically to assess progress. For other, less structured programs such as emergency services, case managers are typically not assigned.

<u>Client Monitoring/Tracking</u>

<u>Performance Measures/Outcomes</u>

One component that was not directly addressed in our original service delivery model, but which may affect all the other components and is vital for ensuring that needed services are available and are delivered efficiently and effectively, is strategic planning.

for a discussion of strategic planning, what Tennessee agencies are doing, and strategic planning initiatives by the federal government.

UPPER CUMBERLAND HRA DESIGNATED TO TAKE OVER CANEY FORK DEVELOPMENT CORPORATION'S PROGRAMS

Caney Fork Development Corporation Ceases Operations

The Caney Fork Development Corporation (CFDC) operated the Community Services Block Grant Program (CSBG), the Retired Senior Volunteer Program, and commodities distribution in Cannon, DeKalb, Van Buren, and Warren Counties. On April 4, 2000, the Caney Fork Board of Directors voted to cease operations. At that time, three of the four county executives serving on the board voted to recommend transfer of all programs to the Upper Cumberland HRA. (See below for information on the transfer of programs to Upper Cumberland and the resulting controversy.) Caney Fork officially closed its doors on April 19, 2000. According to Department of Human Services (DHS) officials, Caney Fork had historically been a weak agency, and its problems worsened several years ago when the agency lost its Low-Income Home Energy Assistance Program because of mismanagement. Those programs were transferred to Upper Cumberland, and Caney Fork was required to return $35,000 (in $5,000 annual installments) to DHS. The agency relied on a $10,000 annual state appropriation for the money to repay its debt; in fiscal year 2000, however, when the state did not make that annual appropriation to the agencies, Caney Fork was unable to make the $5,000 payment, and agency staff went unpaid during at least one month.

The Tennessee Department of Human Services Names the Upper Cumberland HRA an Eligible Community Services Block Grant Agency

In its efforts to locate a qualified replacement agency for the Caney Fork Development Corporation, DHS sent letters to agencies statewide to identify those organizations that might be interested in applying for the Community Services Block Grant program in Caney Fork's counties. Three area agencies applied for the program—two private nonprofit agencies (Mid-Cumberland CAA and TOPS) and one public nonprofit agency (Upper Cumberland HRA). After reviewing the applications, DHS determined that although Mid-Cumberland CAA and TOPS met the basic threshold criteria for eligibility (i.e., they were established private nonprofits located in the Caney Fork service area or contiguous to it), neither "was sufficiently qualified to meet the level of coordination and provision of CSBG and related services deemed necessary by the Department." When additional criteria were considered, primarily the established level of service delivery an agency had in place in the four counties, Upper Cumberland HRA was selected as the best candidate. DHS evaluated the applications and made a recommendation to the Governor, who officially designated Upper Cumberland as the replacement agency effective July 1, 2000. Between April 19 and July 1, 2000, citizens in the four Caney Fork counties did

not have access to CSBG services. According to Department of Human Services staff, all four county executives were contacted regarding the need to notify the department if services needed to be funded during that period. The department was not contacted even once, however, which staff attributed at least in part to the low level of service Caney Fork had been providing just prior to its closing.

According to DHS staff, Upper Cumberland HRA was selected as the replacement agency for the four Caney Fork counties and, therefore, designated as a CSBG entity based on the agency's overwhelming presence in those counties. Granting the CSBG programs to Upper Cumberland HRA helped to centralize the service delivery system for low-income and elderly clients in Cannon, DeKalb, Van Buren, and Warren Counties. Upper Cumberland HRA was already providing the Weatherization Assistance Program, the Low-Income Home Energy Assistance Program, and transportation services in all four counties and Head Start programs in three of the counties. Upper Cumberland had also been operating community service centers in each of the four counties for several years. According to DHS staff, the two private nonprofit agencies that applied for Caney Fork's programs were only prepared to provide emergency services and information and referral services. In addition, based on the department's review of the agencies' applications, their plans to establish community service centers were tenuous given the limited funds available for a rural four-county area.

Letters of Protest and the OCS Response

The transfer of the Caney Fork Development Corporation programs to the Upper Cumberland HRA and the naming of Upper Cumberland as an eligible CSBG entity has not been without controversy. The Tennessee Association of Community Action (TACA) and the Southeast Association of Community Action Agencies (SEACAA) are of the opinion that the state's decision to name Upper Cumberland HRA as an eligible CSBG entity is a violation of the Community Services Block Grant legislation. Both agencies sent letters of complaint to the U.S. Department of Health and Human Services, Office of Community Services, in July 2000, voicing their displeasure over the DHS decision and asking for an OCS review. According to a DHS official, as of August 2001 (thirteen months later), the Office of Community Services had taken no formal action in response to these letters of complaint.

Both TACA and SEACAA contend that the CSBG legislation clearly indicates that the state may not consider a public nonprofit agency as a replacement agency in the first round of review unless no qualified private nonprofit agency is available to assume responsibility for CSBG programs in question. According to TACA personnel, two qualified private nonprofit agencies (Mid-Cumberland CAA and TOPS) were available to assume responsibility for the Caney Fork programs. In addition, TACA and SEACAA contend that the CSBG legislation requires that in order for a public nonprofit agency to be considered as a replacement agency, that agency must have the required tripartite board structure in place. (The legislation requires that the board be composed to ensure that not fewer than one-third of the board members are representatives of low-income individuals and families in the neighborhood served; reside in the neighborhood served; and are able to participate actively in the development, planning, implementation, and evaluation of programs.) At the time the Caney Fork programs were

granted to Upper Cumberland HRA, the agency did not have the required board structure. (See page 135 for further discussion of this issue.)

In the award letter sent to Upper Cumberland, DHS informed the agency that it would be required to modify its board structure to meet the tripartite board requirements of the CSBG legislation. The letter did not give Upper Cumberland a deadline for this modification but indicated that DHS was planning to bring in an outside consultant to assist the state in developing an alternative mechanism for agency board composition that would also meet the goals of the CSBG program. As of August 2001, DHS had received a technical assistance grant from the Office of Community Services for the purpose of hiring such a consultant. A consultant from Mid-Iowa Community Action visited Tennessee on October 3, 2001, to begin the review and modification process.

INFORMATION FROM SELECTED STATES

In order to obtain information on how other states' systems of community action agencies/human resource agencies operate, we contacted officials in five states (Kentucky, Missouri, Ohio, Oklahoma, and Pennsylvania) and obtained additional program information from those officials and from the states' web sites. These states were contacted because they were identified by various persons we interviewed as having a strong state CAA association that provided some centralized coordination or having strengths in specific areas of their CAA systems that might be of interest for Tennessee. Their responses focus on their systems of community action agencies—as far as we could determine through their comments and through discussions with Tennessee officials, no other state has a competing system of agencies (similar to Tennessee's human resource agencies) in addition to its system of community action agencies.

CAA Service Area Size

The size of the CAAs' service areas in the five states varied widely, just as it does in Tennessee. Officials in most of the five states indicated that smaller agencies sometimes had problems operating efficiently and effectively because of their limited service area and population base.

Kentucky has 23 CAAs, which cover all the state's 120 counties. The number of counties in a CAA's service area ranges from one (for Louisville and two rural counties in Eastern Kentucky) to 10, with most CAAs serving 4 to 9 counties. The Kentucky official we interviewed stated that the size of a CAA's service area should be determined not by the number of counties or population size, but instead by the rate of poverty (i.e., the higher the rate of poverty, the smaller the service area should be). He did indicate that smaller CAAs—local poverty rates being equal—tended not to be as efficient as larger CAAs because of excessive administrative costs. Missouri has 19 CAAs covering its 114 counties. The number of counties in a CAA's service area ranges from one county (in the St. Louis area) to 12 counties, with most

CAAs serving 4 to 9 counties. Ohio has 51 CAAs serving its 88 counties—it has many single-county agencies, and no CAA appeared to serve more than 5 counties. The Ohio official indicated minor problems with some smaller CAAs needing to merge in order to reduce administrative costs. (He also stated that Ohio's CAAs receive more funding than other states' CAAs, citing that Ohio provided $100 million in state funding for its Head Start program.)

Oklahoma has 20 CAAs serving 72 counties, with the number of counties in a CAA's service area ranging from one to 13 counties. Other than the one large CAA serving a sparsely populated area, no Oklahoma CAA serves more than 7 counties. The Oklahoma official interviewed believed that population should be the major factor in determining the appropriate size of the service area; he stated that agencies serving smaller populations (less than 100,000) may lack the administrative base to effectively carry out their programs. Pennsylvania has 43 CAAs serving 67 counties, with service areas ranging from one to 7 counties. The Pennsylvania official stated that some small rural CAAs had their resources stretched, preventing them from offering needed new programs. He also stated, however, that the CAAs typically have adequate funding to meet "core" functions because state statute requires the establishment of a minimum funding formula. He noted one problem with large service areas—that large travel distances might impede some board members' involvement in CAA operations.

Coordinating and Administering CAA Operations

None of the CAA associations in the five states are involved in coordinating or supervising CAA operations with the exception of Kentucky's association acting as the grantee for the Low-Income Home Energy Assistance Program (LIHEAP) and Missouri's association acting as a grantee for some smaller programs such as low-income housing. The two associations subcontract with the CAAs and are responsible for monitoring and reporting on CAA activities in these areas. Kentucky's association also compiles all the ROMA data required under the CSBG program. In addition, Oklahoma's association administers some programs that the CAAs could not or did not want to provide, such as a Head Start Collaboration Grant that helped link Head Start Programs to other services. For the most part, CAA associations concentrate on providing training and technical support to, and acting as advocates for, the CAAs.

State cognizant agencies also have limited roles in coordinating CAA operations: providing funding and pass-through funding, monitoring adherence to grant requirements, and in some cases coordinating training or acting as an advocate for the CAAs. The agencies responsible for "administering" CAA programs in the states we reviewed were the Cabinet for Families and Children (Kentucky), the Department of Social Services (Missouri), the Department of Development (Ohio), the Department of Commerce (Oklahoma), and the Department of Community and Economic Development (Pennsylvania).

Centralized Intake/Eligibility Determination and Universal Application Systems

Officials in all five states indicated that the CAAs have established centralized intake/eligibility determination and universal application systems to a certain degree. Kentucky CAAs have established PC-based systems that compile demographic data and information on services to individual clients in the CSBG, LIHEAP, and Weatherization Assistance Programs. The CAAs are trying to expand the systems to other programs. However, clients are evaluated for eligibility for all programs. In Missouri, CAAs have "outreach centers" in all 114 counties that provide centralized intake/eligibility determination. In Ohio, all CAAs have implemented centralized intake/eligibility determination systems. Clients are assessed for eligibility for all programs, but a single application form is not used because of different federal eligibility requirements. The Kentucky official also indicated these different requirements require the refining of CAA intake systems in that state.

The Oklahoma official stated that CAAs have "more or less" developed centralized intake systems and universal application systems. A general application form is filed during intake, and then intake staff evaluate the application for client eligibility for all CAA programs. Like the officials in Kentucky and Ohio, the Oklahoma official indicated that different program requirements complicate the intake process. The Pennsylvania official said that "some do, some don't" in regard to CAAs having established centralized intake/eligibility determination systems. Some Pennsylvania CAAs have universal application systems in conjunction with centralized intake/eligibility determination systems so clients do not have to deal with multiple applications.

Computer Databases to Track Client Progress

CAAs in all states appeared to have only partially implemented computerized systems to track client progress toward self-sufficiency. The computer systems of Kentucky's CAAs do track client progress within agencies but only for CSBG, LIHEAP, and Weatherization Assistance programs. All of Missouri's CAAs have management information systems that provide information on client progress but are involved in tracking outputs, like units of service, not outcomes. Ohio's CAAs have computerized databases to measure progress for CSBG clients only.

The Oklahoma official stated that some of his state's CAAs have set up agency-wide databases to track certain client information. For example, weatherization assistance clients are tracked to determine when they last received assistance because these clients cannot be assisted again until a certain period of time has passed. However, Oklahoma's CAAs currently have not completed implementation of performance/outcome measures. The Pennsylvania official said that there are only a couple of CAAs in his state with computerized systems, with other CAAs planning to implement such systems following analysis of ROMA data to determine the appropriate software to acquire.

Program Performance/Outcome Measures

Not all of the states have implemented performance/outcome measures, and the measures that have been implemented focus on ROMA (i.e., CSBG programs). Kentucky, Missouri, Ohio,

and Pennsylvania CAAs only have ROMA-related measures. (The Missouri official also mentioned the Head Start program, which has federally mandated performance standards.) As indicated above, Oklahoma CAAs have just started the process of implementing ROMA measures. While Kentucky, Ohio, and Pennsylvania CAAs develop their own ROMA-related measures, Oklahoma's goals, once implemented, would be standardized statewide. No state officials mentioned the implementation of sanctions for CAAs not meeting specific performance measures.

Common Service Delivery Problems

The state officials mentioned several common service delivery problems faced by CAAs. The Kentucky official mentioned slow reimbursement from the state cognizant agency to CAAs, which is a serious problem as they are nonprofit organizations with limited resources. Other issues in Kentucky are difficulties in getting staff trained to use the available technology and inadequate staff salaries, resulting in high turnover. The Missouri official also indicated problems with staff turnover because of low salaries. In addition, she mentioned burdensome ROMA requirements that took away a lot of staff time and were expensive to meet. The Oklahoma official stated that some clients went from county office to county office getting the same services (there was a breakdown in controls to prevent this double dipping). In addition, he stated that CAAs tend to concentrate training resources on senior staff, rather than on intake staff who are "the point of contact" with clients. The Pennsylvania official mentioned CAA concerns about adequate funding for transportation and case management.

Availability of Case Management Services

Case management services in the five states are generally limited. Kentucky CAAs tried to do informal case management but found it time consuming. Some programs (e.g., CSBG and family preservation programs) provide formal case management for some of their clients. Oklahoma CAAs only provide informal case management. CAA staff in that state provide this service on a case-by-case basis. Missouri, Ohio, and Pennsylvania provide limited case management. Officials in both Missouri and Ohio mentioned limited funding for the limited service provided. In Pennsylvania, only around 40 percent of CAAs offer case management services.

TITLE VI

Title VI of the Civil Rights Act of 1964 states that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." All of the human resource and community action agencies reviewed receive federal funds and, therefore, are subject to this act. We submitted a list of ten Title VI-related questions to each agency. The questions asked and answers received are presented in Appendix E.

The majority of agencies indicated that they did not have a formal Title VI plan. Two agencies stated that they had plans which were being revised, two stated they were in the process of developing plans, and one agency indicated that, although it had no overall plan, individual programs had Title VI plans. However, only one agency provided us a copy of its plan, which focused on equal employment opportunity and affirmative action. (According to Department of Human Services staff, the department does not require CSBG agencies to submit a Title VI plan or to report specifically on Title VI. Agencies are only required to report information on CSBG clients served, by ethnicity. In addition, contracts between agencies and the department contain anti-discrimination language, and program monitors check to see whether Title VI-related information is displayed in agency offices as required.)

Most agencies do appear to have taken some actions to acquaint both staff and clients with Title VI—training staff/board members during orientation and at staff/board meetings, addressing Title VI in agency policy manuals, displaying Title VI posters and other related information in agency offices, and providing clients with information concerning Title VI during the application process and in agency advertisements or news releases. In addition, nearly all the agencies either have a person formally designated as the Title VI Coordinator or an individual who is responsible for dealing with Title VI issues if they arise.

Agencies listed a variety of mechanisms by which they ensure Title VI requirements are met. Some of the mechanisms are proactive—periodic self-evaluations, evaluations conducted by state and federal agencies, and comparisons of agency client data to demographic data for the agency's service area. Other mechanisms are more reactive—investigations of complaints or grievances filed. Few of the agencies reported any Title VI-related complaints during the last two years, and only one agency reported a Title VI complaint by an agency client (the other complaints identified were from agency employees and concerned the agencies' employment practices).

Most agencies stated that they rely on client surveys, public meetings, outreach to churches and civic organizations, and/or client representation on advisory committees or the agency's board of directors to ensure that minorities have input into decisions about agency programs. The extent to which minorities are represented among the agencies' staff, board of directors, and clientele varied widely among agencies. (See Appendix E.) This wide variation may be explained to some extent by the demographics of the various agencies' service areas (see Exhibit 11), as well as the varying requirements for board membership. (Some of the agencies are required to have a tripartite board with one-third of the members elected public officials, not fewer than one-third representatives of the low-income population served, and the remainder community partners from business, industry, religion, law enforcement, etc. Other agencies' boards, by law, are comprised almost exclusively of local government officials.)

Exhibit 11

2000 County Populations
Percent Minority

Stewart, Montgomery, Robertson, Sumner, Macon, Clay, Pickett, Scott, Campbell, Claiborne, Hancock, Sullivan, Johnson, Hawkins, Washington, Carter, Lake, Obion, Weakley, Henry, Houston, Cheatham, Trousdale, Jackson, Overton, Fentress, Union, Grainger, Hamblen, Greene, Unicoi, Dyer, Gibson, Benton, Dickson, Davidson, Wilson, Smith, Putnam, Morgan, Anderson, Knox, Jefferson, Cocke, Carroll, Humphreys, Williamson, Rutherford, De Kalb, White, Cumberland, Roane, Sevier, Hickman, Cannon, Van Buren, Warren, Loudon, Blount, Lauderdale, Crockett, Perry, Lewis, Maury, Rhea, Haywood, Madison, Henderson, Decatur, Bedford, Coffee, Bledsoe, McMinn, Monroe, Tipton, Chester, Marshall, Moore, Grundy, Meigs, Shelby, Fayette, Hardeman, McNairy, Hardin, Wayne, Lawrence, Giles, Lincoln, Franklin, Marion, Sequatchie, Hamilton, Bradley, Polk

Percent Minority*

☐ 0.0 to 9.9 Percent
☐ 10.0 to 14.9 Percent
☐ 15.0 to 19.9 Percent
☐ 20.0 Percent and Above

* Tennessee's population is 22.0 percent minority, including 16.4 percent African American.

Source: U.S. Census Bureau.

PROGRAMS AND ASSESSMENT OF SERVICE DELIVERY

We evaluated the following programs operated by the HRAs and CAAs. Each program section includes a description of the program or programs and an assessment of service delivery in accordance with the service delivery model (when applicable) as discussed on pages 39-40. A complete list of all programs provided by the HRAs and CAAs is in Appendix B.

COMMUNITY SERVICES BLOCK GRANT PROGRAM

The Community Services Block Grant (CSBG) Program was created by the Omnibus Reconciliation Act of 1981 and is administered at the federal level by the Department of Health and Human Services. CSBG programs are designed to provide services for the low-income population and reduce or eliminate the causes of poverty. The Tennessee Department of Human Services (DHS) has been designated as the state agency to administer the CSBG program in Tennessee. Within DHS, the Community Services section is responsible for the overall administration of the CSBG Program. This section is also responsible for the administration of other major programs, including the Social Services Block Grant Program, the Weatherization Assistance Program, and the Low-Income Home Energy Assistance Program. The program goals for the Community Services Block Grant are listed below.

CSBG Program Goals

1. To provide a range of services and activities having a measurable and potentially major impact on the causes of poverty in the community or those areas of the community where poverty is a particularly acute problem.

2. To provide activities designed to assist low-income participants, including the elderly poor.

3. To provide on an emergency basis such supplies and services, nutritious foodstuffs, and related services, as may be necessary to counteract conditions of starvation and malnutrition among the poor.

4. To coordinate and establish linkages between governmental and other social services programs to assure the effective delivery of such services to low-income individuals.

5. To encourage the use of entities in the private sector or the community in efforts to relieve or remedy poverty conditions in the community.

Source: State of Tennessee CSBG State Plan for Fiscal Year 2001.

CSBG Services to Be Provided for Fiscal Year 2001

During the year ended June 30, 2001, Tennessee used CSBG funding to provide a wide range of programs and services designed to have measurable outcomes for the low-income populations they serve. Based on customer needs, agencies may select and offer those services that are most needed in their geographic area. CSBG services are available in all 95 Tennessee counties (see Exhibit 12).

CSBG funding may be used by the designated agencies to provide services in nine broad program areas (see Table 6). When providing services in a program area, a designated agency is not required to offer all subcategories of a program but may design each program to include only the subcategories that will allow it to meet the needs of its communities. Although it is unlikely that an agency will develop a program not described in one of the nine program areas, it is possible. For this reason, the "Other" program category is provided.

Planning and Coordination

As a condition for receiving CSBG funding for Fiscal Year 2000-2001, each eligible agency was required to prepare and submit a Community Action Plan to the Department of Human Services. The contents of this plan were to be based on a "Results Oriented Plan" and were to include a community needs assessment, a description of the service delivery systems to be targeted, a description of how partnerships would be developed to fill areas where there were gaps in service, and a description of the goals and outcomes to be used to measure success in promoting self-sufficiency, family stability, and community revitalization.

The purpose of "Results-Oriented Planning" is to get agencies to focus on the impact that the services they provide will have on the communities they serve. This planning process is supposed to incorporate concrete goals, objectives, and measures to be used in determining how successful an agency has been in providing services to its communities. In the CSBG State Plan for Fiscal Year 2000-2001, the Tennessee Department of Human Services indicated that it would like to have uniformity among all eligible CSBG agencies in the Results-Oriented Planning process. The department recognizes that plans based on accurate customer "Needs Assessments" enable agencies to more accurately target the types of services that they need to provide. All eligible agencies have received training from the University of Tennessee College of Social Work, Office of Research and Public Service (UT SWORPS), about the use of needs assessments.

Exhibit 12

Community Services Block Grant (CSBG) Programs
By Agency
Fiscal Year 2001

Agencies

- Anderson County Community Action Commission
- Blount County Community Action Agency
- Bradley-Cleveland Community Services Agency
- Chattanooga Human Services Department
- Clarksville-Montgomery County Community Action Agency
- Cordell Hull Economic Opportunity
- Delta Human Resource Agency
- Douglas-Cherokee Economic Authority
- Highland Rim Economic Corporation
- Knoxville-Knox County Community Action Committee
- Metropolitan Action Commission
- Mid-Cumberland Community Action Agency

- Mid-East Community Action Agency
- Mountain Valley Economic Opportunity Authority
- Northwest Tennessee Economic Development Council
- Shelby County Community Service Agency
- South Central Human Resource Agency
- Southeast Tennessee Human Resource Agency
- Southwest Human Resource Agency
- Upper Cumberland Human Resource Agency
- Upper East Tennessee Human Development Agency

Source: Department of Human Services.

Table 6
CSBG Program Areas

PROGRAM AREAS	EXAMPLES OF PROGRAMS THAT CAN BE DEVELOPED
EMPLOYMENT PROGRAMS	Job Counseling, Job Placement/Development, Information and Referral, On-the-Job Training, Summer Youth Jobs, Employment Generating Projects, Skills Training, and Other Employment Projects
EDUCATION	Educational Counseling, Public Education/Information, Information and Referral, Day Care and Child Development, Adult Basic Education or GED Instruction, and Other Education Projects
INCOME MANAGEMENT	Household Financial Counseling, Information and Referral, Income Tax Counseling, Residential Energy Conservation Workshops, Information on Energy Conservation, Weatherization Support, Alternative Energy Installations, and Other Income Management Projects
HOUSING	Home-Ownership Counseling/Loan Assistance, Landlord/Tenant Advocacy, Home Repair/Rehabilitation, and Other Housing Programs
EMERGENCY PROGRAMS	Cash Assistance/Loans, Crisis Intervention and Crisis Case Management, Mobilizing Goods/Services/Cash, Information and Referral, Homeless Assistance/Emergency Shelter, and Other Emergency Services
NUTRITION PROGRAMS	Food Pantries, Hot Meals, Gardening/Canning/Self-Production, Nutrition Education/Comprehensive Counseling, Information and Referral, and Other Nutrition Projects
LINKAGES	Family/Individual Counseling, Transportation, Elderly Projects, Information and Referral, Local Needs Assessments/Community Outreach, Summer Youth Recreation, and Other Linkages Projects
SELF-SUFFICIENCY	Comprehensive Case Management and Support Services
HEALTH	Transportation to Resources, Medical or Dental Screening, Counseling, Information, and Education
OTHER	An agency may develop a project that does not fit any of the nine major program areas. If such a program is developed, it will be considered for funding by the Tennessee Department of Human Services.

Source: State of Tennessee CSBG State Plan for Fiscal Year 2001.

Allocation of Funding

Within the guidelines set by the CSBG legislation, the Tennessee Department of Human Services determines how available CSBG funds will be divided between state administrative costs and allocations to the 21 eligible entities. Because CSBG funding is population based, the amount of funding allocated to each of the eligible entities is based on 1990 census numbers. The number of low-income individuals residing in the geographic area served determines the

amount of funding that each agency receives. For Fiscal Year 2001, there is a total of $10,331,572 available in CSBG funds. Of that amount, 5 percent, or $516,579, is reserved for the state's administrative fee. This leaves approximately $9.8 million remaining to allocate to the 21 eligible CSBG agencies. (See Table 7.)

Prior to Upper Cumberland HRA's designation as a CSBG-eligible entity (see page 44), a portion of the state's 5 percent CSBG discretionary fund was distributed to Upper Cumberland to operate the CSBG programs in the counties it serves. According to Department of Human Services staff, the state continues to pass through all 95 percent of available CSBG funds and retain 5 percent for state administrative purposes. There are no plans to retain the allowable 5 percent discretionary funds. The department wants to ensure that the maximum funds available are passed through for local program support.

Monitoring of Eligible CSBG Agencies

In Tennessee, the Department of Finance and Administration's (F&A's) Program Accountability Review section provides monitoring services for the CSBG agencies through a contract with the Department of Human Services. F&A reviews approximately one-third of the CSBG programs each year. Programs determined by DHS and F&A to be "high risk" receive priority for reviews, but F&A reviews each program at least once every three years. Monitors use a review guide with general procedures and program-specific procedures which are updated (with DHS input) annually. Areas covered during the review include administration, efficiency, program design, program implementation, customer eligibility, and record keeping. In addition, DHS provides monitors with additional specific questions if they have concerns about an agency's operation of a program. If monitors identify problems, agencies are required to develop and implement corrective action plans.

Assessment of Agencies' Service Delivery System

As mentioned above, CSBG programs are designed to provide services for the low-income population and to reduce or eliminate the causes of poverty. To meet these goals, agencies may choose which programs best serve the needs of their communities. As a result, no two agencies have the same programs, nor do they have the same ROMA measures. (See page 31.) In an attempt to be consistent in our review, despite the differences in agencies and programs, we identified a list of criteria that we believe are important for an effective service delivery system (see pages 39-40). We then used those criteria (detailed below) in evaluating the agencies' CSBG service delivery system.

- Needs Assessment—How do agencies determine community needs? How do agencies use needs assessments to determine which services to offer?

- Outreach Activities—How does the public obtain information about services?

Table 7
Fiscal Year 2001 CSBG Funding

Agency Name	Amount of CSBG Allocation	Percent of Available CSBG Funding Received	Percent of State's Poor in Service Area
Anderson County CAC	$ 127,330	1.3	1.3
Blount County CAA	137,341	1.4	1.4
Bradley-Cleveland CSA	131,041	1.3	1.3
Chattanooga Human Services*	481,739	4.9	4.9
Clarksville-Montgomery County CAA	157,629	1.6	1.6
Cordell Hull EOC	112,676	1.1	1.1
Delta HRA	244,099	2.5	2.5
Douglas-Cherokee EA	452,432	4.6	4.6
Highland Rim EC	136,811	1.4	1.4
Knoxville-Knox County CAC*	600,913	6.1	6.1
Metropolitan Action Commission*	836,385	8.5	8.5
Mid-Cumberland CAA	532,257	5.4	5.4
Mid-East CAA	153,614	1.6	1.6
Mountain Valley EOA	355,743	3.6	3.6
Northwest TN EDC	508,436	5.2	5.2
Shelby County CSA*	1,934,869	19.7	19.7
South Central HRA	630,171	6.4	6.4
Southeast TN HRA	361,113	3.7	3.7
Southwest HRA	527,850	5.4	5.4
Upper Cumberland HRA	491,319	5.0	5.0
Upper East Tennessee HDA	901,232	9.2	9.2
Total	**$9,815,000**	**100.0**	**100.0**

* These agencies were not included in the scope of this report.

Source: State of Tennessee CSBG State Plan for Fiscal Year 2001.

- Access to Services—How do agencies ensure clients/potential clients have access to services?

- Intake and Eligibility—How do agencies ensure clients in need receive appropriate services?

- Referrals—How do agencies coordinate programs internally as well as externally?

- Client Monitoring—How do agencies track clients?

- Case Management—What is the extent of case management services?

- Performance Measures—How do agencies measure the impact of their CSBG programs on their clients and on the community?

Needs Assessment

Agencies are required to conduct community needs assessments annually. The purpose of these assessments is to provide current, reliable information about the population and the geographic area served by each agency. While the CSBG State Plan defines the type of information that should be contained in an assessment (geographic information, demographic information about the customers to be served, descriptions of customer needs, other agencies serving this population, and data analysis), how assessments are conducted is left to the agencies. Agency records; customer, board, and community surveys; public meetings; United Way assessments; and other service provider assessments are some sources of information agencies can use.

We found the methods used by agencies to determine community needs varied throughout the state. The methods selected by the agencies depend on the resources (money, staff, and time) available and/or the level of participation from clients, providers, community groups, etc. For example, several agencies use client surveys and reported good participation rates. However, one agency did not have a good participation rate from client surveys and decided to use input from a ROMA community committee instead. Some agencies with limited resources often rely on census data and assessments conducted by other entities, such as the United Way. In conducting a needs assessment, an agency should choose a method that it believes will accurately reflect the community's needs and revise that method if it is not receiving sufficient participation from all parts of the community.

We also found that the way needs assessments are used varied by agency, depending on the agency's resources, community partners, and vision. In some cases, needs identified through assessments have resulted in new programs. The following are examples of such initiatives:

- Individual Savings Programs. Clients participate in a matched savings and investment program. Monies that are saved and matched are restricted for the purposes of purchasing a first home or for education/training (Upper East Tennessee HDA).

- <u>Pharmaceutical/Medical Services</u>. Assistance is provided to clients, especially the elderly, who would otherwise be unable to purchase prescription medicines or other medical services (Southeast Tennessee HRA, Upper Cumberland HRA, and Mid-East CAA). (Upper East Tennessee HDA and Highland Rim EC may offer these services in the future.)

- <u>Homemaker Services</u>. Elderly clients receive assistance, such as minor housekeeping services, in order to remain independent (Southwest HRA, Upper Cumberland HRA, Northwest Tennessee EDC, and Southeast Tennessee HRA).

Needs assessments can help agencies identify areas of improvement and can be a guiding force in program development. Since community circumstances can change (e.g., a local factory closes), agencies should use their needs assessments to ensure they are providing the most effective and appropriate services. According to a DHS official, some agencies' needs assessments are very thorough, while others are just reworkings of data from previous years. The department is changing the needs assessment and planning processes to require that the agencies complete the process earlier and link it more closely to ROMA outcomes. The department will then review each agency's services package to determine whether the proposed services reflect the agency's plan and the results of its needs assessment. The department will also use the new census data to evaluate the appropriateness of each agency's plan.

<u>Outreach Activities</u>

Neither CSBG federal legislation nor the State Plan details specific requirements for outreach activities. However, methods of informing the public about CSBG services seem to be consistent among agencies. Outreach activities, as described by CSBG staff, include placing brochures in public places, advertising on local radio stations and in local newspapers, and holding community meetings. Most CSBG staff believe word-of-mouth is the most common way people find out about programs. Agencies are not required to document their outreach activities.

A few agencies mentioned they do not publicize their programs because they already have as many clients as they can serve. These are typically agencies that offer emergency services only, and funds tend to be depleted quickly. Staff believe that advertising their programs would raise the hopes of many people who most likely would not get assistance.

<u>Access to Services</u>

To provide better access to services, each agency receiving CSBG funds has a central office as well as satellite offices in each of the counties in its service area. Clients can apply for assistance at the office in their county instead of having to travel to the main office, which may be in another county. CSBG staff in these offices can also assist persons who are applying for other programs, such as commodities. Most staff believe their offices are easily accessible; however, we had difficulty locating a few because they were poorly marked and/or located in unexpected places (e.g., underneath a Laundromat).

If a client or potential client does not have transportation, some agencies provide assistance. For example, clients can use transportation services provided by the agency, if applicable. (See page 116 for more information about transportation services.) Also, staff from several agencies mentioned visiting clients who are not able to leave their homes. In contrast, a few CSBG personnel stated that transportation is the responsibility of the client.

Intake and Eligibility

Client eligibility for all services is based on income eligibility and the need for the service. Income eligibility means that the household income is at or below 125 percent of the Office of Management and Budget's (OMB's) Poverty Income Guidelines (see below). A household is defined as any individual or group of individuals living together as one economic unit. Agencies receive guidance from the Department of Human Services as to what is considered income.

CSBG Poverty Income Guidelines
(125% of Office of Management and Budget Poverty Guidelines)

Size of Family Unit	125% OMB Maximum Allowable Income	Monthly Limit
1	$0.00—$10,437.50	$869.79
2	$10,437.51—$14,062.50	$1,171.86
3	$14,062.51—$17,687.50	$1,473.96
4	$17,687.51—$21,312.50	$1,776.04
5	$21,312.51—$24,937.50	$2,078.13
6	$24,937.51—$28,562.50	$2,380.21
7	$28,562.51—$32,187.50	$2,682.29
8	$32,187.51—$35,812.50	$2,984.38

Note: For family units with more than eight members, add $3,625 annually for each additional family member (or $302 per month).

Source: State of Tennessee CSBG State Plan for Fiscal Year 2001

We randomly reviewed client files to ensure eligibility criteria was documented and the needy were being served. Of 204 CSBG files reviewed statewide, virtually all contained documentation of income.

Since CSBG staff take applications for other programs, they must also determine the client's eligibility for that program. These applications are forwarded to the appropriate program directors for reverification and approval. Currently, no agency has a central intake system in which a single application is used for multiple programs. Some staff favor this idea but mentioned there are problems with a central intake system. For instance, these programs have different eligibility requirements as well as different federal funding sources which prescribe

how administrative time can be charged and which require applications to capture certain types of information.

Referrals

A key feature of the CSBG program is the coordination and establishment of linkages between governmental and other social services programs to assure the effective delivery of services to low-income individuals. Strong referral systems, including appropriate documentation and follow-up, can help ensure that clients receive all needed services available in the community but do not receive duplicate services. While agencies report that they have working relationships with other service providers in their areas, evidence, other than anecdotal, is weak. Agency program staff indicated that clients are referred to their agencies by external sources and that they, in turn, refer clients to other programs within their own agencies, as well as to other service providers in their areas. Based on our reviews of client files, however, evidence of such referrals was lacking in many cases. In addition, there was little evidence that agencies followed up on any referrals to an external program to determine if the client actually received the service.

A few agencies have established formal partnership agreements or collaborative projects with other providers. For example, Highland Rim Economic Corporation provided documentation of signed agreements between the agency and other service organizations in the area. During our site visit to Upper East Tennessee Human Development Agency, several local organizations described projects involving that agency, such as the Individual Development Account Program with Bank of Tennessee.

Client Monitoring

The implementation of ROMA has affected the manner in which agencies collect data. See pages 30-32 for more information about ROMA. Counting services and the number of participants no longer suffices. Instead, agencies must make their data collection methods more conducive for measuring outcomes. UT SWORPS identified several tools to help agencies collect better data. These are intake forms, customer follow-up interviews, surveys, and scales. Agencies can and should customize instruments for their particular programs.

CSBG software is available to make the transition easier. Agencies are in different stages of implementing and using the software. Some agencies are very advanced, while others are still struggling. Technical assistance for all agencies is available through UT SWORPS and the Tennessee Association of Community Action's workshops. With the software, agencies will be able to see all agency services a client receives. No agency, however, has an integrated database or a single source of information about all the services a client receives.

According to DHS' Director of Community Services, high costs are delaying many agencies from installing computers in their county offices and from establishing on-line networks between agency county offices and the agency central office, as well as between the agencies and DHS.

Although agencies are moving toward automated data collection, all agencies continue to maintain paper files of their clients. While agencies have their own filing systems, client files typically contain basic information, such as the date of service, type of assistance received, eligibility verification, and follow-up activities (if indicated). Client files are maintained in the county offices since that is the point of contact for clients. In most cases, duplicates are sent to the central office.

Case Management

Another way agencies can identify gaps in service delivery is through case management. Agencies which provide self-sufficiency programs tend to have intensive case management services. Case management involves setting client goals and developing strategies to achieve those goals. Staff periodically meet with the clients to assess their progress.

Agencies which provide only emergency services through their CSBG program do not believe case management services are necessary. According to program staff, clients receiving emergency services are in crisis and need temporary assistance, which the agency provides. Without case management, however, these agencies may be missing why individuals became "in crisis" in the first place.

Performance Measures

While agencies have flexibility in the programs they offer, the CSBG State Plan mandates that programs be goal directed. Goals should be results-oriented with predetermined measures used to evaluate success. These measures relate to how an agency is doing in providing services and empowering its customers to make needed changes in their lives. ROMA (see pages 30-32) is the impetus and the guide for developing and measuring outcomes.

We asked CSBG staff at the agencies how ROMA has affected service delivery. For the most part, staff are positive about ROMA and its impact on service delivery, although some expressed reservations and an incomplete understanding of the process. Generally, we received three different types of responses:

1. Staff are already providing ROMA-related services, such as case management, goal setting, etc., but ROMA requires them to document services more extensively.

2. Staff have changed their focus from output to outcomes, which is beneficial for the client and the agency.

3. For emergency services, ROMA has little impact because of the difficulty in tracking clients receiving those services.

Most CSBG personnel agree that there are some groups that will never be truly self-sufficient. Low-income elderly are one such group because their fixed income could keep them from being self-sufficient. In these cases, staff think scales are a good measure of outcomes. For example, a person could move from in-crisis to stable.

Agencies are required to report their goals and measures to DHS. Since goals and measures vary from agency to agency, performance cannot be compared across the board. Instead, performance must be compared against each agency's goals. In the future, the department hopes to develop statewide measures, which will facilitate more uniform reporting.

ENERGY ASSISTANCE PROGRAMS

According to the U.S. Department of Energy (DOE), low-income households spend a greater percentage of income for residential energy (14%) than do non-low-income households (3.5%). Low-income families facing high-energy burdens may obtain assistance from their area CAA or HRA through the Low-Income Home Energy Assistance Program and/or the Weatherization Assistance Program.

The Low-Income Home Energy Assistance Program (LIHEAP) is a federal block grant intended to provide funds for energy assistance payments for low-income households. The U.S. Department of Health and Human Services allocates funds for heating assistance, cooling assistance, and emergency energy crisis assistance for winter and summer. The federal government's allocation to a state is based on how its low-income households' expenditures for home energy (as a percentage of income) compare to such expenditures in other states. For federal fiscal year 2001, Tennessee's LIHEAP allocation (including several releases of emergency contingency funds to operate the program) was nearly $29 million. Because LIHEAP is a block grant, the Tennessee Department of Human Services, which administers LIHEAP, has flexibility in designing the program in Tennessee. For example, federal regulations give states options for establishing eligibility criteria. The department develops an annual State Plan, which details policies and procedures for administering LIHEAP.

The purpose of the Weatherization Assistance Program is to increase the efficiency of dwellings owned or occupied by low-income persons (especially those considered vulnerable), to reduce their total residential energy expenditures, and to improve their health and safety. The U.S. Department of Energy (DOE) allocates funds to each state according to the formula specified in federal regulations. This formula considers the number of low-income households in the state, the number of heating degree days and number of cooling degree days, and the residential energy expenditures in the state. As with LIHEAP, the Department of Human Services (DHS) receives federal grant money to implement the program in Tennessee. The state's WAP allocation for fiscal year 2001 (including both WAP funds provided by DOE and the 10 percent of the state's LIHEAP allocation which must be used for weatherization assistance) was approximately $4 million. Policies and procedures governing the Weatherization Assistance Program are enumerated in the annual State Plan developed by DHS.

LIHEAP and Weatherization Assistance Providers and Service Areas

The Department of Human Services (DHS) receives grant money from the federal government for both programs and awards grants to local agencies to provide these energy assistance services to eligible Tennesseans. Per federal mandate, the department must award these grants to "public or nonprofit entities which have experience in administering energy crisis programs . . . experience in assisting low-income individuals in the area to be served, the capacity to undertake a timely and effective energy crisis intervention program, and the ability to carry out the program in local communities."

For fiscal year 2001, DHS contracted with 20 agencies to administer LIHEAP; of those, 16 are in the scope of this audit. Except for Douglas-Cherokee Economic Authority and the Metro Action Commission, agencies that provide LIHEAP assistance also offer Weatherization Assistance services. East Tennessee HRA administers Weatherization Assistance in counties served by Douglas-Cherokee's LIHEAP service area. Metro Development and Housing Authority administers Weatherization Assistance in Davidson County in place of the Metro Action Commission. Table 8 lists all FY 2001 LIHEAP and Weatherization Assistance grantees.

Table 8
Allocations and Service Areas of LIHEAP and Weatherization Assistance (WAP) Grantees
FY 2001

Grantee Agency	LIHEAP Funds (2)	LIHEAP Counties	WAP Funds (3)	WAP Counties
Blount County CAA	$182,387	Blount	$55,404	Blount
Bradley-Cleveland CSA	$174,019	Bradley	$52,863	Bradley
Chattanooga HSD (1)	$639,744	Hamilton	$194,338	Hamilton
Clarksville-Montgomery County CAA	$209,329	Montgomery	$63,589	Montgomery
Cordell Hull EOC	$149,633	Clay, Macon, Jackson, and Smith	$45,455	Clay, Macon, Jackson, and Smith
Delta HRA	$324,160	Fayette, Lauderdale, and Tipton	$98,472	Fayette, Lauderdale, and Tipton
Douglas-Cherokee EA	$600,824	Cocke, Grainger, Hamblen, Jefferson, Monroe, and Sevier		*Does not administer WAP.*
East Tennessee HRA	$641,504	Anderson, Campbell, Claiborne, Morgan, Scott, and Union	$377,387	Anderson, Campbell, Claiborne, Cocke, Grainger, Hamblen, Morgan, Jefferson, Monroe, Scott, Sevier, and Union
Highland Rim EC	$181,684	Dickson, Houston, Humphreys, and Stewart	$55,191	Dickson, Houston, Humphreys, and Stewart
Knoxville-Knox County CAC (1)	$798,005	Knox	$242,414	Knox
Metro Action Commission (1)	$1,110,708	Davidson		*Does not administer WAP.*

Allocations and Service Areas of LIHEAP and WAP Grantees (Cont.)

Grantee Agency	LIHEAP Funds (2)	LIHEAP Counties	WAP Funds (3)	WAP Counties
Metro Development and Housing Authority (1)		*Does not administer LIHEAP.*	$337,404	Davidson
Mid-Cumberland CAA	$706,831	Cheatham, Robert-son, Rutherford, Sumner, Trousdale, Williamson, and Wilson	$214,717	Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson
Mid-East CAA	$203,998	Loudon and Roane	$61,970	Loudon and Roane
Northwest Tennessee EDC	$675,197	Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley	$205,107	Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley
Shelby County CSA (1)	$2,569,481	Shelby	$780,542	Shelby
South Central HRA	$836,860	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Maury, Marshall, Moore, Perry, and Wayne	$254,217	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Maury, Marshall, Moore, Perry, and Wayne
Southeast Tennessee HRA	$479,554	Bledsoe, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie	$145,676	Bledsoe, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie
Southwest HRA	$700,979	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, McNairy, and Madison	$212,939	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, McNairy, and Madison
Upper Cumberland HRA	$652,465	Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett, Putnam, Van Buren, Warren, and White	$198,202	Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett, Putnam, Van Buren, Warren, and White
Upper East Tennessee HDA	$1,196,825	Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington	$363,565	Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington

Notes:

(1) Agencies not in the scope of the audit.

(2) Includes only initial planned allocations set forth in LIHEAP State Plan for FY 2001.

(3) Includes LIHEAP funds allocated for WAP.

As Table 8 indicates, agencies do not duplicate or overlap geographic service areas. DHS typically funds the same agencies year after year. In the event DHS defunds an agency (e.g., because of some problem with program operation), the department will hold a public hearing to determine which agency will be awarded the contract to serve the area left unserved.

In six agencies in the scope of the audit, the LIHEAP program director also oversees the Weatherization Assistance Program. These agencies are Blount County CAA, Bradley-Cleveland CSA, Clarksville-Montgomery County CAA, Delta HRA, East Tennessee HRA, and Southwest HRA. Based on our review, it appears that service delivery and program effectiveness are neither hindered nor enhanced by this arrangement, as compared with agencies that have separate program directors.

Service Delivery

Although LIHEAP and Weatherization Assistance serve to reduce the energy burdens of low-income families, the means for achieving program goals differ. Therefore, we evaluated service delivery components of each program separately. The evaluations included interviews with program directors in each agency, as well as file reviews.

Low-Income Home Energy Assistance Program

Needs Assessments

Agencies do not (and are not required to) conduct community needs assessments that are specific to LIHEAP. Several agencies, however, indicated that they rely on their CSBG needs assessments to identify energy assistance needs in their area. In addition, citizens have the opportunity to comment on the program and energy assistance issues at public hearings that DHS must hold before submitting the Annual LIHEAP State Plan to the federal government. Almost all program directors indicated a need for the program and for additional funding because of lengthy waiting lists. Only one program, Mid-Cumberland CAA's, reported excess LIHEAP funds, a situation that was the result of problems with that agency's LIHEAP application process. (See page 69 for more information.)

The need for LIHEAP assistance increases as low-income households feel the effects of high energy prices and colder temperatures. Anticipating higher heating bills (and thus greater pressure on LIHEAP) for winter 2000-2001, the federal government released LIHEAP contingency funds—approximately $400 million on September 23, 2000; $155 million on December 18, 2000; and $300 million on December 30, 2000. While all states received contingency funds, the allocations factored in states' reliance on heating oil, natural gas, and propane. Tennessee received $4,202,683 on September 23; $1,635,369 on December 18; and $3,152,012 on December 30, 2000.

According to a DHS official, agencies have been limited in their ability to quickly access contingency funds because of a state contracting requirement that requires each agency to amend

its contract and revise its budget to reflect the additional LIHEAP funds it receives. (For example, the federal government released additional funds three different times between September and December 2000, and agencies had to adjust their contracts each time.) The amendments must be approved by DHS before the agency can use the funds. According to the official, larger agencies seem to be more prepared to meet these requirements than smaller ones because the larger agencies have more staff and resources to dedicate to making the necessary changes. In his opinion, the amendment process hinders the purpose of the contingency funds (to pay emergency heating bills).

Despite additional allocations, the demand for LIHEAP may still exceed available funds, prompting many states to find ways to supplement their LIHEAP programs. Table 9 shows methods Tennessee's neighboring states use to supplement energy assistance and energy efficiency funds. According to the information compiled by the LIHEAP Clearinghouse, Tennessee does not supplement LIHEAP funds.

Table 9
State-by-State Supplements
To Energy Assistance and Energy Efficiency

Type of Supplement	AL	AR	GA	KY	MS	MO	NC	TN	VA
State/Local Funds	X			X		X	X		X
Fuel Funds	X	X	X	X	X	X	X		X
Utility Rate Assistance	X		X	X	X		X		X
Utility Energy Efficiency			X	X					
Miscellaneous					X				

Source: LIHEAP Clearinghouse.

Programs in Alabama, Kentucky, Missouri, North Carolina, and Virginia receive supplements from state and/or local sources, such as donations from state income tax refunds (Alabama), legislative appropriations (Kentucky, Missouri, and Virginia) and city/county government contributions (North Carolina). All states surrounding Tennessee use fuel funds to supplement their energy assistance programs. For example, customers, employees, and shareholders of major electric and gas utility companies in Alabama, Mississippi, and Virginia contribute to projects that provide energy assistance to needy citizens. Nonprofit agencies in Arkansas, Georgia, Kentucky, Missouri, and North Carolina partner with utility companies to generate funds that complement or supplement the state program.

In six states (Alabama, Georgia, Kentucky, Mississippi, North Carolina, and Virginia), utility rate assistance is another means of alleviating the energy burden facing low-income citizens. In most of these states, utility companies waive fees, such as monthly customer service charges or security deposits, for eligible citizens. A major gas and electric company in Kentucky has a percent of income payment plan under which participants receive a fixed credit on their bills (the amount of the credit depends on their income level). In addition, one Kentucky utility has an experimental energy conservation rate for gas and electric customers who are LIHEAP recipients and who participate in formal conservation and energy education programs. In the

area of utility energy efficiency, power companies in Georgia and Kentucky have implemented energy efficiency and conservation programs for their customers. Mississippi has secured supplier discounts and miscellaneous donations for its energy assistance program.

Another potential way for agencies to obtain additional funding for LIHEAP is through incentive programs. Since fiscal year 1991, LIHEAP grantees have had the opportunity to participate in the LIHEAP Leveraging Incentive Program. The Leveraging Program rewards grantees for acquiring nonfederal home energy resources for low-income households. Despite the availability of these funds, the LIHEAP agencies in Tennessee do not participate in the Leveraging Incentive Program. According to the former State LIHEAP Coordinator (a new coordinator was appointed as of February 2001), he decided not to pursue Leveraging Incentive Grants because, in his estimation, the return was too small for the effort (i.e., because of the amount and level of documentation required).

Outreach and Referral

Federal law requires agencies to use a portion of their administrative funds for outreach efforts. The State Plan mandates that outreach activities should target low-income households, specifically low-income households with members who are frail elderly, handicapped, or under 12 months of age. These outreach activities should include the distribution of posters and/or notices to community organizations and other groups with substantial contacts with the eligible population. In addition, agencies should conduct informational meetings for the benefit of energy suppliers, volunteer organizations, and other interest groups to explain the terms of eligibility and to identify potentially eligible households. We found that agencies adhere to these outreach mandates. In addition to the activities already mentioned, some agencies submit announcements to local newspapers and radio stations.

Program directors mentioned that many clients are referred to LIHEAP from other programs within their agency as well as from other organizations. Directors and staff also stated that they refer clients to other programs and organizations, such as CSBG, the Tennessee Housing Development Agency, and the United Way. The client files we reviewed did not contain documentation of such referrals, however.

The LIHEAP State Plan describes agencies' responsibilities with regard to the implementation of a coordinated LIHEAP/Weatherization Assistance Program client referral system. Those responsibilities are as follows:

1. Application intake workers should describe the services available under Weatherization Assistance and ask if LIHEAP applicants are interested in that program and want to be referred to it. Also, intake workers should provide interested LIHEAP applicants with a fact sheet, which briefly describes Weatherization Assistance services.

2. LIHEAP applicants who indicate an interest in Weatherization Assistance and request to be referred should be listed on a separate log.

3. This log should be delivered to and maintained by the central office of each LIHEAP agency.

4. Photocopies of the applications listed on the log will be made and forwarded to each appropriate Weatherization Assistance agency by the 30th of the month for the preceding month in which the LIHEAP applications are received.

When asked how LIHEAP and Weatherization Assistance are coordinated, only a few program directors mentioned any of the above activities. Of the 223 LIHEAP files we reviewed, 53 LIHEAP recipients had received Weatherization Assistance in the past, and 47 expressed an interest in the program's services. It appears that low-income persons could benefit from a well-coordinated LIHEAP/ Weatherization Assistance referral process and that agencies should work to strengthen their systems.

Access to Services

LIHEAP applications are available in the agencies' county offices/neighborhood service centers. Some agencies leave applications at senior centers and with energy providers. Upon request, interested persons can receive applications by mail from their area LIHEAP provider.

DHS sets program periods for specific LIHEAP activities, such as a specified period for the summer cooling program. The department requires that agencies make staff available on a daily basis in each county served to receive applications during their designated intake days, which are established by the agencies. Subject to available funding, agencies are also required to make staff available for those applicants who request assistance in completing their applications and for those who are homebound. (A few agencies mentioned taking applications to the homebound.) Regular heating and summer cooling applications may be returned by mail to the agency or through a scheduled appointment. Emergency heating applications can be given to agency staff.

Intake and Eligibility

Problems with the intake process resulted in a decrease in applications at a few agencies. Because of limited staff, agencies were using CSBG staff at the neighborhood service centers to take LIHEAP applications. In the 1980s, however, the U.S. General Accounting Office (GAO) determined agencies could not allow CSBG staff to charge administrative costs for LIHEAP intake. This practice was causing agencies to exceed the 10% limit on administrative costs for LIHEAP. In response, DHS required applications to be sent to LIHEAP staff (who are usually at the central office rather than at a neighborhood service center).

After this requirement was put in place, Mid-Cumberland CAA and South Central HRA saw substantial reductions in the number of accurately prepared LIHEAP applications and in the number of people served. Those agencies' LIHEAP directors believe that applicants became frustrated with the process because they had trouble completing the applications without assistance or submitted applications with incomplete information and then had to resubmit those applications. South Central HRA's situation improved somewhat after the agency started

sending clients very detailed instructions. The decline in applications and the number of LIHEAP recipients has not improved at Mid-Cumberland CAA, however. Unlike other agencies, Mid-Cumberland had no LIHEAP waiting list and had unexpended summer cooling funds, which were then transferred to the regular heating program. Other agencies seem to have been less affected by the GAO requirement. Based on our interviews and observations, we believe that during our field work CSBG staff at some agencies helped LIHEAP applicants but did not report it.

A memorandum issued by DHS on June 16, 2000, may help address these problems. Based upon guidance from the U.S. Department of Health and Human Services (HHS), LIHEAP agencies are now authorized to use the definitions of administrative and nonadministrative costs observed by the Temporary Assistance for Needy Families (TANF) program. With the TANF definitions, several LIHEAP functions that were recognized as administrative may be charged as nonadministrative under a new cost component known as the Direct Program Support Component. Costs concerned with the receipt of client applications may be charged under this component, and there is no cap on the costs that may be charged under the new component. A DHS official believes the new component will enable agencies to use CSBG staff again.

Eligibility requirements and methods for determining eligibility are explicitly detailed in the State Plan. To be income-eligible for LIHEAP, a household's gross annual income must not exceed 125 percent of the federal poverty guidelines for nonfarm families. Of 223 files we reviewed, 201 had appropriate income documentation and evidence that clients met the income-eligibility guidelines. An applicant must not have been served during the same fiscal year for the energy assistance component he is making application to receive. However, most client files did not contain information about prior LIHEAP assistance. An applicant cannot receive assistance from both the regular heating and emergency heating components during the same program year. An applicant can receive both summer cooling assistance and regular heating or emergency heating assistance in the same program year.

LIHEAP directors determine if all eligibility requirements are met and use the priority points system established by DHS to calculate benefit levels and rank applications. Under this system, applicant households are given points based on their income, energy burden, number in household, and energy need. The purpose of the priority points system is to ensure the neediest are served first.

Client Monitoring and Tracking

All agencies maintain hard copies of client files. Client files include a copy of the application, date of application, amount of assistance, energy cost verification, and income documentation. In addition to the hard copies, several agencies record and track client information on a database. Some agencies have LIHEAP software that is similar to the CSBG software. As with CSBG, agencies vary in their technological abilities.

Case Management

Case management services were not offered to LIHEAP recipients at some agencies. Staff determine the client's need but do not establish goals for the client. While most program directors believe a large number of clients receive assistance year after year, only four agencies—Mid-Cumberland CAA, East Tennessee HRA, Mid-East CAA, and Northwest Tennessee EDC—document clients which received prior LIHEAP assistance. Program directors think most repeat clients are elderly and/or handicapped and live on a fixed income. As a result, these clients can never change their circumstances and will always need LIHEAP assistance. Some directors said LIHEAP helps these clients free up more money, which can be spent on medicine or food. Agencies have not, however, performed any analyses to determine the prevalence of such situations. Although agencies cannot deny assistance to clients who receive LIHEAP year after year (as long as they are eligible), case management services may help some clients become energy self-sufficient.

Assurance 16 and the Residential Energy Assistance Challenge Program (REACH) are two federal programs that encourage LIHEAP self-sufficiency programs. Assurance 16 gives grantees the option of spending a maximum of 5 percent of their LIHEAP funds on services that encourage and enable households to reduce their home energy needs, as well as the need for energy assistance. According to DHS staff, Assurance 16 activities in Tennessee include outreach, budgeting, and energy use counseling. All LIHEAP and Weatherization Assistance applicants receive an 8-page energy conservation tips sheet, originally developed by TVA but no longer available through TVA.

REACH is an optional grant initiative that is funded from the LIHEAP leveraging incentive program. Twenty-five percent of the funds set aside for the LIHEAP leveraging incentive program are earmarked for REACH. REACH funds are used by qualifying states to

- minimize the health and safety risks that result from high energy burdens on low-income Americans;

- prevent homelessness as a result of inability to pay energy bills;

- increase the efficiency of energy usage by low-income families; and

- target energy assistance to individuals who are most in need.

States that have energy efficiency education plans that meet the quality standards of HHS and the Department of Energy and which have the potential for being replicable model designs for other programs can receive additional REACH funds. In fiscal year 2000, HHS awarded a total of $5,482,277 to qualifying state LIHEAP programs. According to DHS officials, Tennessee has never applied for a REACH grant because the program does not have sufficient staff for discretionary grant writing and administration.

After consulting state and local LIHEAP officials, HHS issued model LIHEAP performance measures in 1995. These measures describe three goals as well as core and ancillary measures. Table 10 lists LIHEAP goals and core measures.

Table 10
LIHEAP Goals and Core Measures

Goal	Core Measures
• Target energy assistance to low-income households with the highest energy needs, taking into account both energy burden and vulnerable household members.	• Percent of households served which are "high need," shown on a graduated scale. • Average LIHEAP benefit by target group, as shown on a graduated scale.
• Increase energy affordability for LIHEAP recipient households.	• The change in energy burden before and after LIHEAP assistance within program elements and fuel type. • Number of households for which LIHEAP assistance avoids loss of energy service.
• Increase efficiency of energy consumption by low-income households.	• Number of LIHEAP recipient households weatherized, including low/no-cost energy-related home repair. • Number of LIHEAP recipient households receiving energy counseling or education.

Currently, the use of the LIHEAP model performance goals and measures is optional. HHS hopes grantees select from the model the goals and measures that best reflect the needs of their recipient populations to ensure their LIHEAP programs achieve maximum effectiveness in meeting the needs of low-income households.

HHS has not established a timetable for requiring the use of performance measures. However, DHS is interested in assessing the success of Tennessee's LIHEAP program and has established the following performance goal and measure: Target energy assistance to low-income households with the highest energy needs, taking into account both energy burden and vulnerable household members (frail elderly, handicapped, and infants) measured by the number of vulnerable households served by program component.

While agencies report to DHS the number of vulnerable households served by program component in their annual programmatic report, most directors do not realize this is a performance measure. Moreover, most directors do not think LIHEAP is conducive to outcome measures since it is output-oriented. Several directors expressed the opinion that the goal is met when the client is served.

Delta HRA and Upper East Tennessee HDA are two agencies that are trying to measure the effectiveness of their LIHEAP programs through client assessments. Delta HRA randomly

surveys clients to determine if the program was successful. The Upper East Tennessee LIHEAP director uses telephone and home monitoring tools to assess the impact of LIHEAP on the clients' lives. Both directors believe the federal and state governments will eventually require LIHEAP performance measures and want to be prepared.

Weatherization Assistance Program

Needs Assessments

Neither DOE nor DHS requires agencies to conduct community needs assessments to determine the need for the Weatherization Assistance Program in their area. While agencies do not conduct formal assessments, most rely on the annual CSBG Community Needs Assessment to reflect needs for energy assistance. According to program directors, if such needs are determined through the CSBG assessment, they usually share the information with the Weatherization Assistance directors. In addition, as with LIHEAP, citizens have the opportunity to provide input at public hearings for the Weatherization Assistance State Plan.

Program directors said the biggest indicator of the need for Weatherization Assistance is the existence of extensive waiting lists. Some agencies said persons wait years to get service and some never get assistance. Two factors contribute to the extensive waiting lists: very limited funding and the priority point system. (See page 75 for more information.) Because directors are required to prioritize applications every six months, persons with relatively low scores may remain at the bottom of the list.

Funding limitations not only affect the number of people served but the amount of work that can be performed on a home. Agencies can spend up to $3,000 per home, but many directors believe this amount is sometimes inadequate. Most program directors said the quality of some applicant homes is so poor, especially in rural areas, that weatherization assistance does not begin to address the problems. Furthermore, agencies are prohibited from making capital improvements to the home; the program's focus is on a home's air filtration and insulation. (According to DHS' Director of Community Services, it appears that DOE may increase by 40 percent the state's Weatherization Assistance Program allocations for the next fiscal year. Such an increase would allow more clients to be served; however, the director did not believe that the spending limit per home would be increased. The program's required Weatherization Policy Committee annually recommends to serve additional households rather than increase per unit costs.)

Although funding is limited, DOE requirements allow states and local agencies the opportunity to leverage additional funds. Other low-income housing programs, utility companies, and property owners are among the sources of potential funds. DHS admits it does not pursue or require agencies to pursue leveraging opportunities. However, one agency we visited demonstrated a successful leveraging program.

The Highland Rim Economic Corporation has used Weatherization Assistance funds to leverage HOUSE funds and Housing Preservation Grant (HPG) funds. Using funds from these

three sources, Highland Rim has been able to completely rehabilitate some low-income homes, without exceeding the maximum of $3,000 in Weatherization Assistance funds per house. The additional funds allowed the agency to provide capital improvements as well. Of 26 homes that were weatherized in fiscal year 1999, 6 received HOUSE and HPG assistance also. In fiscal year 1998, 2 of the 25 weatherized homes received funds from HOUSE and HPG in addition to the Weatherization Assistance Program. (See page 115 for more information on the HOUSE program.) Other agencies, including East Tennessee HRA, have also leveraged funds using HOUSE.

Outreach and Referral

Local agencies are responsible for conducting outreach activities. Popular methods used to inform the public about the Weatherization Assistance Program include advertisements in local newspapers, public service announcements on local radio stations, and flyers in public places such as health departments and unemployment offices. A few agencies do not advertise the program because waiting lists are already long.

According to program directors, many Weatherization Assistance clients are referred from the LIHEAP program. As mentioned previously, DOE and DHS mandate a coordinated LIHEAP/ Weatherization Assistance Program referral system. A client can get 9 points on the priority points sheet (62 total priority points are possible) if he or she was a LIHEAP applicant during the same fiscal year and was referred through that program. Of 70 files reviewed, 37 clients had received LIHEAP assistance. Some directors receive copies of LIHEAP applications or lists of clients who expressed an interest in the Weatherization Assistance Program. A few program directors stated that they contact such clients to determine if they are still interested and to encourage them to apply.

Other human service providers such as the United Way and the Salvation Army, churches, and private organizations also refer low-income persons to the Weatherization Assistance Program. However, such referrals were not documented in the client files we reviewed.

Directors mentioned referring clients to other programs within the agency and/or programs provided by another agency, if it is determined the client has additional needs. Referrals to outside agencies were not documented in the client files we reviewed. Only Highland Rim documented referrals to internal programs.

Access to Services

All agency directors believe Weatherization Assistance services are accessible. Since clients can apply for the program at county offices, there is no need to travel outside their county of residence. Most agency staff will take or mail an application to an applicant who is homebound. In addition, clients can use an agency's transportation services, if provided. (See page 116 for more information on transportation programs.)

Because of the nature of the Weatherization Assistance Program, agency staff visit the homes of eligible clients to survey the home and to determine what should be done. Therefore, clients do not need to go to an office to receive assistance.

Intake and Eligibility

The DHS State Plan contains very specific guidelines for accepting applications and determining eligibility. As mentioned previously, interested persons can apply at county offices. In most cases, clerks at the county offices review the applications for completeness and determine eligibility. Staff assist clients who have problems completing the application. Clerks forward applications to the WAP director, who reverifies income and approves or denies the application. For a couple of agencies, applications are sent directly to the director.

To be eligible for WAP, a household must meet the following requirements:

1. income is at or below 125 percent of the poverty level, or

2. contains a member who has received cash assistance under Tennessee's Families First Program or the Supplemental Security Income Program during the current or previous month.

The State Plan details methods for determining income. Staff also have access to DHS microfiche which contains information on persons who received assistance under item 2. We reviewed 88 files to ascertain if Weatherization Assistance recipients were income-eligible. Of the 88 reviewed, 80 files had evidence of appropriate income verification.

Agencies use a priority points system to determine the order in which WAP applicants are served. According to DHS, the purpose of the points system is to assist agencies in identifying the dwelling units most in need of weatherization assistance. Applications are prioritized on a county-by-county basis. Those with the highest points will be served first. Applications not served are reprioritized every six months. Seventy-two of 74 files had copies of the client's point sheet.

If a house has been weatherized since September 30, 1993, it is not eligible to receive Weatherization Assistance again. Some program directors find this requirement limiting because the agency may not have been able to provide all the necessary work (because of the $3,000 limit) the first time.

Recent EPA standards concerning lead-based paint hazards may also affect the type of houses that can be served in the future. According to DHS' Director of Community Services, homes built before 1978 (which could include the majority of homes needing weatherization) probably have lead-based paint. Such homes could require a costly abatement process (which agencies cannot afford) before the full complement of Weatherization Assistance services can be provided. If services are provided without the abatement process being completed, work would be limited to providing weather stripping, attic insulation, etc. More intensive weatherization

work, such as replacing windows and blowing insulation into walls, would disturb too much surface area and thus would require abatement before the work could proceed.

Client Monitoring and Tracking

All agencies maintain paper client files, which were made available for review. Files include a copy of the client's application, income eligibility documentation, and priority points system documentation. Some agencies are more technically advanced than others, using computer software to record and track client information.

Case Management

While staff in the county offices determine the client's need at the time of application, case management services are not offered to Weatherization Assistance clients. For instance, staff do not work with clients to establish long-term goals and develop strategies for achieving those goals.

DHS allows each agency to budget up to 6 percent of its Weatherization Assistance Program allocation for client education in conservation practices. Clients who have received Weatherization Assistance are eligible, and a maximum of $100 per household can be spent for client education. Through the client education program, agency staff and trained volunteers conduct an initial interview in a client's home and at least one follow-up visit. The purpose of the visit is to offer motivation and instructions to clients on how to reduce their fuel consumption through efficient energy practices. None of the agencies we visited participate in the client education program. A DHS official said these agencies prefer to keep the 6 percent to service homes.

DHS has also developed a handout for each agency to use in providing basic information to all Weatherization Assistance recipients. The handout is designed to provide a simple, easy-to-understand explanation of what measures have been installed, how to maintain and/or operate them, and a list of safety and energy-saving practices to help reduce energy consumption, such as setting the thermostat at 68 degrees to reduce heating costs, caulking around windows, and weatherstripping doors. Several program directors stated that they provide these brochures.

Performance Measures

Although formal performance goals and measures have not been established, the outcome for the Weatherization Assistance Program as stated by DOE is that "by implementing energy-saving measures in low-income homes, the Weatherization Assistance Program works to correct the disproportionate energy burden faced by low-income Americans. Weatherization helps low-income families gain financial independence, offering a hand up, not a hand out." Program directors cited these goals repeatedly, but most do not have methods for evaluating the effectiveness of the program. (South Central HRA does assess client satisfaction using surveys.) Moreover, some program directors think the program is output-oriented rather than outcome-oriented and performance measures are not applicable.

When applicable, DHS requires agencies to use the blower door test to measure the impact of weatherization. Blower doors reveal the location of and measure air leaks in a house. Using the test before and after weatherization can help directors determine whether the service was effective. While agencies are required to perform this test when possible, some do not think it is a good measure. Unless the test is performed under similar conditions both times (i.e., same barometric pressure and weather conditions for the initial reading and for the follow-up reading), the test results can be misleading. In addition, if the quality of a home is poor, the blower door test may cause damage. Agencies do not use the test in such situations.

No agency was able to provide us with data on the amount of money a client saved after receiving Weatherization Assistance services. Only a couple of agencies compare energy bills before and after service. Several directors do not believe such analysis is a good indicator of program effectiveness. For example, energy bills may not decrease, but comfort level and quality of life may have improved. These comments were not substantiated by formal analyses or assessments.

AGING PROGRAMS

The programs for older persons provided by some community action and human resource agencies are part of a multi-layered, integrated network of aging services. The National Network on Aging consists of federal, state, regional, and local agencies/institutions which have the responsibility of implementing the requirements of the Older Americans Act of 1965. Through this network, organizations work together to develop comprehensive and coordinated systems for the delivery of supportive services for the elderly. The goal of the Older Americans Act and the Aging Network is to improve the quality of life for older persons, primarily by assisting them to remain independent, actively engaged, and productive.

The Aging Network

Each level of government has a distinctive role that is defined by the act. At the federal level, the Administration on Aging, a division of the U.S. Department of Health and Human Services, administers grant programs authorized by the act. In addition, the Administration on Aging works with states, other federal agencies, national organizations, and the private sector to ensure programs and resources for older persons are coordinated with those of the Aging Network.

The Older Americans Act requires that governors in each state designate an agency as the state unit on aging. In Tennessee, that designee is the Commission on Aging and Disability. The commission performs a number of functions to ensure provisions of the Older Americans Act are implemented. These functions include

- advocating on behalf of older persons,

- coordinating aging programs throughout the state,

- monitoring and evaluating programs, and

- administering state funds for aging programs.

Chapter 397, Public Acts of 2001, changed the commission's name (from Commission on Aging to Commission on Aging and Disability) and provided for a system of home and community-based long-term care services (including personal assistance, homemaker and chore services, home-delivered meals, respite and hospice care, etc.) for older persons and persons with disabilities.

The Commission on Aging and Disability relies on the regional area agencies on aging to contract with local service providers for direct program delivery, except in the case of the Title V Senior Community Service Employment Program (see pages 86-87). The 1973 amendments to the Older Americans Act created Area Agencies on Aging and charged them with the task of establishing, at the regional level, a system of coordinated and comprehensive services. As a result, the Tennessee Commission on Aging and Disability designated an area agency on aging in each of the nine planning and service areas in the state. Table 11 lists each area agency on aging and the counties served by that agency. Seven of the area agencies are located in regional development districts; one is located in a human resource agency; and one is a regional commission on aging composed of local officials. Each agency serves as the focal point for all issues relative to the welfare of older persons in its respective planning and service area. Responsibilities of the area agencies on aging include coordinating interagency linkages, sharing information, and monitoring providers. Since the passage of Chapter 397 (described above), the area agencies on aging are providing specific services, such as case management and information and referral, as part of the home and community-based long-term care services program.

The area agencies on aging are responsible for determining needs in their respective planning and service areas and for developing an area plan that includes a comprehensive description of services to be provided through contracts with local service providers. Annually, each area agency on aging submits its Area Plan for Programs on Aging to the Tennessee Commission on Aging and Disability for approval.

Like the Commission on Aging and Disability, area agencies on aging serve as advocates for the elderly and are not involved in the direct delivery of services except for the Public Guardianship Program and for those case management and information and referral services provided pursuant to Chapter 397. The state considers the Public Guardianship program part of the area agencies' advocacy mission, and state law requires them to provide the program directly.

Table 11
Area Agencies on Aging

Area Agency on Aging	Counties Served
First Tennessee Area Agency on Aging	Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington
East Tennessee Area Agency on Aging	Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Knox, Loudon, Monroe, Morgan, Roane, Scott, Sevier, and Union
Southeast Tennessee Area Agency on Aging	Bledsoe, Bradley, Grundy, Hamilton, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie
Upper Cumberland Area Agency on Aging	Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, and White
Greater Nashville Area Agency on Aging	Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Trousdale, Williamson, and Wilson
South Central Tennessee Area Agency on Aging	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, and Wayne
Northwest Tennessee Area Agency on Aging	Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley
Southwest Tennessee Area Agency on Aging	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, and McNairy
Delta Area Agency on Aging	Fayette, Lauderdale, Shelby, and Tipton

In Tennessee, programs for older persons are provided by public and private nonprofit agencies under contract with the nine area agencies. Service providers include human resource agencies, community action agencies, local governments, churches, legal services agencies, housing authorities, and senior centers. Providers compete for contracts from area agencies and can lose contracts as a result of poor performance. Table 12 lists the CAAs and HRAs that have contracts with area agencies and the services to be provided during FY 2001. The list excludes agencies that offer the Title V Senior Community Service Employment Program (see page 87).

Table 12
CAA/HRA Contracts With Area Agencies on Aging
FY 2001

Contracts With First Tennessee Area Agency on Aging	
__Provider__	__Services__
First Tennessee HRA –All counties	• Homemaker • Congregate Meals • Chore • Home Delivered Meals

Contracts With East Tennessee Area Agency on Aging	
__Provider__	__Services__
East Tennessee HRA –Anderson County	• Homemaker • Information and Assistance • Transportation • Benefits Screening • Outreach • Assisted Transportation • Shopping
–Campbell County	• Outreach • Assisted Transportation • Transportation • Telephone Reassurance • Benefits Screening • Information and Assistance • Visiting
–Claiborne County	• Visiting • Education • Transportation • Health Screening • Recreation • Assisted Transportation • Outreach • Physical Fitness • Home Repair • Telephone Reassurance • Shopping • Information and Assistance
–Cocke County	• Transportation • Physical Fitness • Visiting • Recreation • Education • Assisted Transportation • Outreach • Telephone Reassurance • Shopping • Information and Assistance • Health Screening
–Morgan County	• Transportation • Assisted Transportation • Outreach • Health Screening • Recreation • Physical Fitness • Education • Information and Assistance • Shopping
–Anderson, Campbell, Claiborne, Morgan, Scott, and Union Counties	• Title III-C-1 (Nutrition) • Title III-C-2 and State (Nutrition)
–All counties except Knox	• Legal Casework • Legal Education • Legal Referral • Ongoing Legal
–All counties	• Title III-B (Ombudsman) • Health Promotion • Title VII (Ombudsman) • Health Screening • Title III-F (Disease Prevention and Health Promotion) • Home Injury Control • Disease Information • Medicare Education

CAA/HRA Contracts With Area Agencies on Aging (Cont.)

Blount County CAA	• Homemaker • Telephone Reassurance • Transportation • Shopping • Outreach	• Assisted Transportation • Information and Assistance • Title III-C-1 (Nutrition) • Title III-C-2 and State (Nutrition)
Douglas-Cherokee Economic Authority –Grainger County	• Recreation • Transportation • Education • Outreach • Shopping • Visiting	• Telephone Reassurance • Information and Assistance • Health Screening • Physical Fitness • Assisted Transportation
–Sevier County	• Outreach • Transportation • Education • Visiting • Shopping • Adult Day Care	• Information and Assistance • Health Screening • Physical Fitness • Recreation • Telephone Reassurance • Assisted Transportation
–Cocke, Grainger, Hamblen, Jefferson, Monroe, and Sevier Counties	• Title III-C-1 (Nutrition) • Title III-C-2 and State (Nutrition)	
Mid-East CAA –Roane County	• Outreach • Transportation • Visiting • Education • Recreation • Shopping	• Information and Assistance • Assisted Transportation • Health Screening • Physical Fitness • Benefits Screening
–Loudon and Roane	• Title III-C-1 (Nutrition) • Title III-C-2 and State (Nutrition)	

Contracts With Southeast Tennessee Area Agency on Aging	
Provider	**Services**
Southeast TN HRA –All counties except Hamilton	• Transportation • Title III-F (Disease Prevention and Health Promotion) in 10 counties

Contracts With Upper Cumberland Area Agency on Aging		
Provider	**Services**	
Upper Cumberland HRA –All counties	• Transportation • Homemaker	• Title III-C-1 (Nutrition) • Title III-C-2 (Nutrition)

CAA/HRA Contracts With Area Agencies on Aging (Cont.)

Contracts With Greater Nashville Area Agency on Aging	
Provider	**Services**
Mid-Cumberland HRA –All counties	• Transportation • Congregate Meals • Ombudsman • Home Delivered Meals • Homemaker

Contracts With South Central Tennessee Area Agency on Aging	
Provider	**Services**
South Central HRA –All counties except where noted	• Outreach • Home Delivered Meals • Homemaker • Transportation (NE Coffee County, SE • Congregate Meals Franklin County, SW Lawrence • Nutrition Education County, SE Lawrence County, and SE • Nutrition Screening Lincoln County)

Contracts With Northwest Tennessee Area Agency on Aging	
Provider	**Services**
Northwest Tennessee HRA –All counties	• Congregate Meals • Home Delivered Meals • Transportation

Contracts With Southwest Tennessee Area Agency on Aging	
Provider	**Services**

Southwest HRA
 	
–All counties
	• Transportation • Elderly Care Management
	• Nutrition Program Assessment
	  Congregate Meals Care Plan
	  Home Delivered Meals Arrangement/Referral
	  Outreach Review/Evaluation
	  Education Nutrition Education
	  Screening Nutrition Counseling
	  Counseling Physical Fitness

Contracts With Delta Area Agency on Aging
There are no contracts with CAAs or HRAs in this area.

The CAAs and HRAs included in the scope of this audit represent only a fraction of the agencies that provide services for the elderly across the state. As a result, it was difficult to identify duplication of services and/or gaps in service areas. We were, however, able to make the following analyses based upon our fieldwork:

- From studying the list of HRA and CAA providers, we can determine that some agencies provide services in only a few counties in their service area (e.g., Douglas-Cherokee Economic Authority) and some provide services outside their legislatively defined service area (e.g., East Tennessee HRA).

- No two agencies in the scope of the audit provide the same programs in the same counties. However, agency staff noted two instances in which an HRA directly competes with another service provider. Senior Citizens, Inc., was authorized by legislation to provide long-term care services in Williamson and Davidson counties. Mid-Cumberland HRA also provides long-term care services through its Homemaker program in Williamson County. Staff at Mid-Cumberland believe they are competing directly with Senior Citizens, Inc., in Williamson County. The two agencies may compete for clients, but they do not compete for funds. Although Senior Citizens, Inc., was authorized to provide services, no money was appropriated by the General Assembly. In Upper East Tennessee, the nutrition program at First Tennessee HRA competes with a Meals on Wheels program in Johnson City. Similar situations may occur across the state, but no others were brought to our attention.

- As mentioned previously, one area agency on aging is located within a human resource agency. A special waiver from the Commission on Aging and Disability allows the East Tennessee HRA to operate the East Tennessee Area Agency on Aging (ETAAA). The state allows this arrangement, which was approved by the Administration on Aging, because there is no other organization in the area able to fulfill the function. (The state did hold a public hearing before awarding the waiver to East Tennessee HRA.) ETAAA satisfies its statutory requirements in serving as an advocate for the elderly and in offering the Public Guardianship program, but provides no other services directly. ETAAA does contract with East Tennessee HRA for some services. (See page 80.)

- Another unusual situation exists in the northwest region of the state. Technically, the Northwest Area Agency on Aging is located in a development district, but the development district has the same executive director and governing board as Northwest Tennessee HRA. The Commission on Aging and Disability considers the two agencies separate legal entities.

- Title V services available to seniors in northwest Tennessee are provided by Mid-Cumberland Community Services Agency, which is located in Nashville. According to a Commission on Aging and Disability official, Northwest Tennessee HRA previously received funds from the commission to operate the program. The commission put the contract out-for-bid to other agencies, however, because of problems (such as high administrative costs and services not meeting program

standards) which were not corrected despite several warnings from the commission. Commission staff stated that Mid-Cumberland CSA had the best proposal and that no other agency in the area was capable of providing the service. However, staff indicated that if Northwest Tennessee HRA submitted a proposal when the contract comes up for renewal, the commission would seriously consider contracting with that agency again. Northwest HRA continues to offer Title V services through a contract with the National Senior Community Education Research Center.

- Agencies have discretion in how programs are administered. For example, in some areas, CAAs and HRAs use ACCESS Services for intake and referral. CAAs and HRAs in other regions perform their own intake and referral activities. According to a Commission on Aging and Disability official, the regional area agency on aging determines how agencies administer their programs in this regard.

Service Delivery

The types of services CAAs and HRAs offer are many and varied. Programs differ in scope, standards, eligibility requirements, etc., and evaluating aging programs across the board would not reflect these variances. Therefore, we chose to divide programs into categories and evaluate service delivery accordingly.

<u>Nutrition Programs</u>

Funded under Title III-C of the Older Americans Act, nutrition programs provide older persons, particularly the frail and vulnerable, with daily, nutritionally sound meals provided at congregate sites or delivered to the home. In addition, nutrition programs attempt to promote better health through improved nutrition and reduced social isolation. Persons age 60 years or older, their spouses, and disabled persons under age 60 living with eligible older persons can participate in nutrition programs. Although no one is excluded based on income, participants who can afford to are encouraged to contribute toward the cost of the meal.

Congregate meals are served in strategically located centers. Service providers must provide nutrition screening and counseling, nutrition education, and ongoing outreach activities to ensure that the maximum number from target groups participate in the program. Eligible persons who are homebound can participate in the home-delivered meals program.

Program directors are required to perform and report activities that inform the public about nutrition programs. In addition, several program directors in the agencies we visited mentioned that clients are often referred to the nutrition programs (especially the home-delivered meals program) by other programs internal and external to the agency, as well as by doctors and hospitals. Directors noted great need for these programs because, in most cases, there are waiting lists. We found that assessments were an important part of the program in determining the client's nutritional needs as well as needs for other programs. Directors indicated that referrals are sometimes made as needed, particularly to other programs within the agency;

however, there was little evidence in the files we reviewed that clients were referred either to other programs within the agency or to other agencies.

Program directors provided anecdotal stories of how their programs have affected the lives of the clients. However, there are no outcome measures to assess impact, and case management activities are limited to periodic assessments—initially and annually for congregate meals and semi-annually for home-delivered meals—that nutritional needs are being met.

Supportive Services

Supportive services, which enable older persons to remain in their own homes, fall into three general categories: access services, in-home services, and community services.

1. Access services enable older persons to obtain needed resources. Transportation, outreach, and information and assistance fall into this category.

2. In-home services are provided to older persons in their own homes. Examples of in-home services include Homemaker, Chore, Visitation, and Telephone Reassurance.

3. Community services are available outside the home and promote social interaction among older persons and other members of the community. Community services include Adult Day Care, Recreation, and Health Screenings. Many community services are available at senior citizen centers.

Agencies we visited that provide supportive services expressed concern over limited funding for their programs. Staff of several programs, particularly Homemaker, noted long waiting lists for these programs. In some cases, agencies do not advertise these programs because of the long waiting lists. Since the goal of supportive programs is to keep older persons in their homes, most do not leave the program unless they are institutionalized or die.

Assessments of clients' needs are integral to these programs, and most client files contained extensive documentation of services provided. Case management also plays an important role in ensuring proper services are being provided. Periodic reassessments, which are documented in client files, help staff determine if the client's needs have changed and if, therefore, the services should change. Needs assessments and case management activities help staff determine if clients need other services provided by the agency or by another service provider in the area. While staff offered verbal examples of a wide-reaching referral system, documentation of referrals was lacking in some files.

Disease Prevention and Health Promotion

Title III-F of the Older Americans Act provides funds for disease prevention and health promotion activities. Such activities can prevent or delay the incidence of restricted activity and promote independence for older persons.

Directors of health promotion programs in the agencies we visited spend time at senior centers in their areas informing older persons about health-related issues. These directors plan and coordinate health screenings and workshops on issues such as disaster preparedness and Medicare fraud. Clients who attend senior centers can attend these workshops. In addition, hospitals, churches, and health fairs refer clients to the workshops. Because the health promotions program is essentially a public awareness program, client needs assessments, eligibility determination, and case management services are not provided.

Elder Rights Protection

Elder rights protection programs focus on the prevention of elder abuse, neglect, and exploitation of older persons. The Legal Assistance Program was established to help older persons understand and maintain their rights, receive entitled benefits, and resolve disputes. The Long-term Care Ombudsman Program represents the interests and needs of present and potential residents of long-term care facilities, investigates and resolves complaints, and advocates for quality long-term care that is accessible and responsive.

Information about the legal assistance and ombudsman programs is posted in long-term care facilities. Unlike other programs, clients complete a complaint form instead of an application. The ombudsman program relies heavily on trained volunteers to investigate complaints. In most cases, the ombudsman assigned to a facility attempts to make a visit within 24 hours of a complaint. When the problem is not within the scope of the ombudsman's function, the appropriate entities, such as the Tennessee Bureau of Investigation, the Board for Licensing Health Care Facilities, or the local agency providing legal services for the elderly, are notified.

Senior Community Service Employment Program

Title V of the Older Americans Act provides for a Senior Community Service Employment Program which fosters and promotes useful part-time opportunities in community service activities. Low-income persons age 55 or older can participate. The overall objective is to transition enrollees from subsidized community service assignments into unsubsidized employment.

This program is income-based so staff must verify income before enrolling a participant. When a client is deemed eligible and has been assessed, staff work with the client to create an Individual Development Plan. Program directors try to place participants in positions that reflect their interests and skills as determined by an assessment. The plan establishes goals for the clients and is reviewed periodically to assess progress. If a program director does not think a placement fits the participant, the participant will be placed at another organization.

The federal government's goal for this program is for each agency to place at least 10 percent of its participants into subsidized employment annually. Most agencies report that they achieve this goal. In fact, the program at Upper Cumberland HRA reportedly has placed 35 percent of its participants into subsidized employment the last three years. The program director attributes her success to persistence and connections in the community.

The U.S. Department of Labor contracts with the Commission on Aging and Disability to administer the Title V Program. The commission contracts directly with local providers for service delivery. The table below lists CAAs and HRAs that provide Title V services and their service areas.

Title V Services Offered by CAAs and HRAs

Provider	Counties Served
East Tennessee HRA	Campbell, Claiborne, Morgan, Scott, and Union
Upper Cumberland HRA	Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Putnam, Van Buren, Warren, and White
Upper East Tennessee Human Development Agency	Carter, Johnson, Sullivan, and Washington

Senior Assistance Management System

All Title III and state-funded service providers must use the Senior Assessment Management System (SAMS) to report service delivery outputs to the regional area agencies on aging. SAMS, which was developed by Synergy Software Technologies, is an integrated database that allows service providers and the area agencies to track, by program, the number of clients served, the number of units expended (e.g., meals/rides provided), and the cost (if applicable). With SAMS, providers can capture detailed information about the client, conduct assessments, and develop care plans without using paper files. SAMS shows the date and time the client was added to the system and when the record was last updated.

Because aging programs vary, Synergy Software Technologies has developed a user's manual to guide service providers through the appropriate steps of entering data and generating reports. In addition, the area agencies establish the format for reporting data to promote consistency across the region.

An official with the East Tennessee Area Agency on Aging (ETAAA) believes SAMS could also work for other programs. ETAAA has an agreement with Synergy Software Technologies which allows the agency to give the current software to another program after an updated version is released. Currently, the Misdemeanor Probation program at East Tennessee HRA is using an older version of SAMS.

Performance Measures

Although service providers must explain strategies for implementing programs and achieving goals and report the number of clients served, they do not use performance measures to evaluate the impact of their programs. At the federal level, a move toward performance measurement is beginning, and the Tennessee Commission on Aging and Disability believes that one day providers will have to report outcomes. At present, providers have received only limited training in performance measurement, and a commission official believes the process of

implementing performance measures will be slow. When the time comes, the Commission on Aging and Disability plans on contracting with the United Way to train service providers.

The federal Administration on Aging is in the process of developing performance plans based on outcome measures. Although the Administration on Aging submits an Annual Performance Plan in compliance with the Government Performance Results Act, the FY 2001 and previous plans still relied exclusively on output measures. In an effort to develop performance measures, in late 1998 the Administration on Aging initiated a Performance Outcome Measures Project in partnership with the National Association of State Units on Aging and the National Association of Area Agencies on Aging. The purpose of the project is to form a consensus on outcome measures that are relevant to the Aging Network—focusing on individual characteristics of people served, the impact of services, and a reduction in barriers to services—and develop data collection instruments. An initial set of outcomes and instruments have been developed in collaboration with selected state and area agencies and recognized experts in the field. As of summer 2001, the Administration on Aging was soliciting additional agencies to help field-test performance measurement survey instruments, refine current instruments, and develop additional outcome measures.

CHILD CARE BROKER PROGRAM

The Child Care Broker Program assists Families First participants and non-welfare, low-income families with child-care costs. The program attempts to help low-income parents become self-sufficient by providing free or affordable child care so they can work or pursue their education goals. The Child Care Broker Program is unique in that agencies have little control over the clients in the program. The majority of families are referred from the Departments of Human Services or Children's Services, in which case eligibility is automatic and has already been determined by these state agencies. Very little, if any, case management is offered to clients. The primary role of the agencies is to recruit and enroll providers, determine their eligibility, inspect and monitor their adherence to DHS guidelines, and provide clients with information regarding their choice of provider.

Child Care Broker is offered in every county in Tennessee. Currently, nine of the HRAs and CAAs included in this audit provide Child Care Broker services in 82 counties. The other 13 counties are covered by the Family Resources Agency (which serves a 9-county area in southeast Tennessee) and the Tennessee Department of Human Services (which, during fiscal year 2001, took over the programs in Shelby, Hamilton, Knox, and Davidson Counties). In addition, five of the nine Child Care Broker agencies included in this audit also offer Registered Family Home services (see pages 98-100 for program summary). These five agencies, along with six other entities, provide that program in every county in Tennessee. Table 13 lists the agencies providing Child Care Broker and Registered Family Home services and the counties in which the services are provided. There does not appear to be any duplication of services for either the Child Care Broker or Registered Family Homes programs. In areas where the programs are

offered by the HRAs/CAAs, the HRA or CAA is the only agency offering those specific programs. According to program staff at one agency, the only other option for nonqualifying applicants is assistance from local organizations such as churches.

As with other programs, agencies often provide services in counties that fall outside their service area or operate under an arrangement with another agency that may be awarded the DHS contract. Under a subcontract agreement with Mid-Cumberland CAA, Highland Rim is providing broker services in its service area. Under a similar arrangement, Southwest HRA is performing administrative functions for Delta HRA for both the Broker and Registered Family Homes programs in an attempt to reduce costs. Delta is running the day-to-day operations of the programs in Fayette, Lauderdale, and Tipton Counties, but Southwest is acting as the administrator and fiscal agent.

DHS/State Proposed Takeover of Broker Program

In June 2000, state officials announced the decision to have the Tennessee Department of Human Services assume administration of the Child Care Broker Program, with an initial goal of complete transition by June 30, 2001.

Staff at some HRAs and CAAs expressed concerns about the proposed transition plan. Management at one agency believed the move would result in a decrease in personal contacts with clients and providers, thereby eroding client services. Another concern expressed was that the move would lead to additional costs to the state because of the need to purchase new equipment and to hire and train new staff.

As of August 2000, DHS had already taken over administration of Cherokee Children and Family Services' contract for Memphis/Shelby County. During the 102nd session of the General Assembly, however, legislation was introduced to prohibit the state from terminating child care broker contracts or grants. As of May 2001, the department agreed to a compromise regarding the provision of broker services statewide. DHS was to complete its takeover of the programs for the four urban counties and continue administering the program in those areas. (By June 30, 2001, in addition to Memphis/Shelby County, the department had taken over administration of the program in Chattanooga/Hamilton County, Knoxville/Knox County and Nashville/Davidson County.) Contracts with the remaining brokers will remain in effect and be extended until December 31, 2002. In mid-spring 2002, the department will develop and issue an RFP for the program covering the 91 nonurban counties. At that time, the department may bid to provide services in one or more of those areas. The Comptroller will evaluate such proposal(s) to determine if the department's bid(s) would result in more effective and efficient services. As a result of the negotiations, the sponsors of the broker legislation agreed to withdraw their bills from further consideration.

The department has announced plans to cancel contracts with agencies administering the Registered Family Homes Program and administer the program in-house beginning December 1, 2001.

Table 13
Agencies Providing Child Care Broker and Registered Family Homes Services

Agency	Child Care Broker Service Area	Registered Family Homes Service Area
Department of Human Services (1)	Shelby, Hamilton, Knox, Davidson	
Children's Home/Chambliss Shelter (1)		Hamilton, McMinn, Meigs, Polk
Delta HRA (2)	Fayette, Lauderdale, Tipton	Fayette, Lauderdale, Tipton
Douglas Cherokee Economic Authority	Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Loudon, Monroe, Morgan, Roane, Scott, Sevier, Union	Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Loudon, Monroe, Morgan, Roane, Scott, Sevier, Union
Family Resources Agency, Inc. (1)	Bledsoe, Bradley, Grundy, Marion, McMinn, Meigs, Polk, Rhea, Sequatchie	
Highland Rim Economic Corporation (3)	Dickson, Houston, Humphreys, Stewart, Montgomery	
Holston United Methodist Home for Children, Inc. (1)		Carter, Greene, Hancock, Hawkins, Johnson, Knox, Sullivan, Unicoi, Washington
Mid-Cumberland CAA	Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, Wilson	Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Trousdale, Williamson, Wilson
Northwest Tennessee Economic Development Council	Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, Weakley	
Sequatchie Valley Planning and Development Agency (1)		Bledsoe, Bradley, Grundy, Marion, Rhea, Sequatchie, Hamilton-West
South Central HRA	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne
Southwest HRA (4)	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, McNairy	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, McNairy
Southwest Tennessee Community College (1)		Shelby
Tennessee Technological University, School of Human Ecology (1)		Cannon, Clay, Cumberland, Dekalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, White
UT-Martin, Department of Human Environmental Services (1)		Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, Weakley
Upper Cumberland HRA	Cannon, Clay, Cumberland, Dekalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, White	
Upper East TN Human Development Agency	Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, Washington	

Notes: (1) Agency is not included in scope of this audit.

(2) Delta conducts the day-to-day operations for the programs in these three counties, but Southwest HRA acts as administrator and fiscal agent for contract purposes.

(3) Highland Rim provides Broker services in the five counties under a subcontract with Mid-Cumberland CAA.

(4) Southwest HRA's contract also includes Fayette, Lauderdale, and Tipton Counties, but Delta HRA is responsible for the programs' daily operations in these counties.

Broker Program Funding and Eligibility

Effective January 1, 2000, all payments to child care brokers are charged to the federal Child Care Development Fund (CCDF). Payments to child care providers can be funded through one of three federal grants (CCDF, TANF, SSBG), along with some state dollar matches, with the actual breakdown dependent on the funding category and the payee. All dollars, whether federal or state, are channeled and funded through DHS. Families may be enrolled under one of five funding categories

- Families First
- Transitional Families First
- Low-income Eligible

- State Custody
- State Non-Custody

Families First clients are automatically eligible and are enrolled on referral from DHS. Once individuals are no longer eligible for Families First, they may receive up to 18 months in transitional assistance.

Agencies accept applications and determine eligibility for non-welfare, low-income families through the federal CCDF and SSBG grants. The limited slots available are reserved for families who work (either full- or part-time), teen mothers, or working families with special needs children. These families have six months of eligibility and are eligible for additional six-month redeterminations until the child reaches the age of 13.

Funding is also available for a limited number of children in state custody and non-state custody, on referral from the Tennessee Department of Children's Services (DCS). State custody referrals are reserved for foster care children. Non-custody referrals come through Child Protective Services and include children being protected from parental abuse or the possibility thereof. DCS determines eligibility, provides funding (through a federal grant), and secures a provider with the assistance of the Broker Program. Only regulated providers may be used for these children. These two DCS-referred categories are 100 percent federally funded by the SSBG grant.

Top funding priority, as set by state statute, is for Families First and Transitional Families First. The next targeted groups in order are working parents or those pursuing their education, special needs children, and teen parents.

Funding allocations for individual agencies are based on several factors, including historical spending, client populations, and projected growth rates of these populations. DHS budget and fiscal offices are responsible for making the projections and allocation decisions.

Needs Assessment

The HRAs and CAAs do not conduct needs assessments specifically for either the Child Care Broker program or the Registered Family Homes program, and agency management was unaware of any such assessment by the state. According to DHS management, federal

regulations do not require a comprehensive needs assessment to be conducted, and thus the department does not do such a study.

According to program staff, agencies conduct an individual needs assessment for clients when they enter the program. Staff ask clients if they are aware of other available services, including Head Start, housing, weatherization, clothing, and food services, both within the agency and from outside community agencies. Occasionally, referrals for job training will be made. Our reviews of client files, however, found limited documentation of any referrals.

Outreach Activities

DHS' *Child Care Policy and Broker Procedures Manual* requires broker agencies to "use a variety of community media contacts and resources throughout the year to assure that potentially eligible parents, eligible providers and the general public are informed about the availability of the child care assistance programs and general quality child care issues." Agency efforts have included posting information at businesses, schools, day care centers, county health departments, and local DHS offices. According to agencies, because the majority of clients come to the programs on referral from DHS or DCS, in the past they have only had to recruit applicants for the slots available to non-welfare, low-income families. Restriction of funding for these slots beginning in August 1999 and the subsequent waiting lists that followed have decreased the need for agencies to focus efforts on recruiting.

Intake

An individual application is submitted for the Child Care Broker Program. The application appears to be user friendly, and staff will complete the application for individuals who have any problems. Agency program staff mentioned several concerns when asked about the possibility of using a centralized application process:

- the varying client base for agency programs (e.g., some programs target the elderly, while others, like the Broker Program, target working families);

- the need to structure any centralized application system so that it would account for the different income guidelines between programs; and

- the possibility that client privacy and confidentiality issues may limit the use of a centralized application and make it difficult to share information with other programs.

For non-welfare, low-income families, a sliding scale based on family size and income is used to determine eligibility and the fee that parents must pay. This scale is also used to determine parent fees for transitional Families First clients. Based on this scale, a parent fee of between $5 to $35 per week per child may be charged. Families in other categories (i.e., Families First, state custody, and state non-custody) do not pay a parent fee.

During intake, agency staff help families locate a provider. Management at one agency however, estimated that 80 percent of the time, a family requesting assistance already has a provider in place that is either being used or being considered. In such cases, staff will provide the family with information to help determine if the provider meets their needs. For families that do not have a provider in mind, staff will provide them with information about providers in their area. Clients have the option of selecting any provider, regardless of whether the provider is located in the client's county of residence or service area.

DHS Referrals

After a client's eligibility has been determined, DHS sends notification referral letters to both the client and the agency. By policy, a provider is not eligible to receive child care payments until eligibility has been established, the agency and client receive notification from DHS, and the client has selected a provider approved by the agency.

The referral process for the Broker Program varies, depending on funding sources. Ideally, Families First clients are receiving case management services and are required to meet with their DHS caseworker at least once every two to three months. To be eligible for broker services, clients must complete a Personal Responsibility Plan (PRP) and be actively pursuing at least one component or goal of their PRP. This can include enrollment in school, obtaining a GED, working, or actively seeking work. Once a client is active in one of his or her components, the DHS caseworker sends a referral to both the client and the agency. The broker agencies determine the number of childcare hours the family needs.

Once the referrals are received, clients must meet with agency staff to determine needs and arrange for services. Some clients may need daytime care while they work or are in school, while others will need after-school care or both. In many areas, agency staff work in the local DHS offices, and the clients merely have to walk over to their working areas.

For transitional clients, the process is very similar. These clients have either exhausted their 18 months of Families First service or have chosen to leave the program. They are, however, still eligible for broker services (under a different funding category). The caseworker will send a referral to both the client and the agency. The client is instructed to contact his or her local broker agency. A client is eligible for 18 months of service from the referral date. Thus, a client choosing to seek services three months after this date would be eligible only for the remaining 15 months.

For clients entering under state or non-state custody, referrals are submitted to the agencies from the Department of Children's Services (DCS) caseworker. DCS determines eligibility and places clients with providers, while the agencies monitor day care attendance. For non-welfare, low-income clients, the agencies determine eligibility, and no outside referrals are necessary.

Management at some agencies believe the biggest problem with the Broker Program is not receiving DHS referrals for Families First or transitional clients in a timely manner. Agency

management attribute much of the timeliness problem to the absence of an electronic data monitoring system, the small number of brokers across the state, and insufficient communication between the brokers and DHS.

Agency management indicated that the timeliness issue most often occurs when clients move from Families First into transitional status. Ideally, DHS would send a referral notice to the client and agency at the time that the client leaves Families First. According to the agencies, however, DHS is not sending the referrals immediately because in many cases the client has failed to actively pursue the goals and requirements of the PRP and was cut off of Families First. In these situations, according to agency management, DHS has not submitted the referral because the client is not pursuing activities required to receive broker services. Agencies believe, however, that the referrals should be sent by DHS, and agency staff can contact clients and explain what they must do in order to receive child-care services.

Agency management also reported problems in receiving timely notices when a client moves from transitional status back onto the rolls of Families First. DHS's failure to provide timely notice of change in status creates situations where clients are paying child-care fees when they have been approved for services available under Families First. According to program management at one agency, she has corresponded with DHS regarding the timeliness issue, and the situation has improved greatly since January 1, 2001.

DHS policy requires approval or denial within 45 days of application. Department management believe that agencies should never receive referrals in an untimely manner. They concede, however, that problems with timeliness of referrals do exist but attribute most of the problem to clients who fail to submit documentation or apply for services in a timely manner. (Based on our limited review of information in client files, we did identify some timeliness problems but could not determine the cause.)

DHS management conceded that in many instances, clients coming off of Families First are securing child-care arrangements, or are maintaining their current arrangement, prior to applying for transitional services. In some cases, they attempt to receive reimbursement for these services already received prior to the time they finally contact their local broker agency.

While DHS management acknowledges the presence of timeliness problems, it does not believe the problems to be serious. The department is addressing the timeliness issue by making changes to the ACCENT eligibility system to improve its ability to document and track child care information. Once completed, all referrals will be completed electronically. An eligibility worker in the county DHS office will collect information from a potential client and complete an access screen. The system is not designed to operate in real time. Rather, a batch of each day's referral requests will be transmitted overnight to a broker office. The department's goal is to have the system implemented by February 2002, and management is confident the new system will correct current problems with the process. Also, the department is working with local agencies in an attempt to improve communications regarding referrals.

Access to Services

It appears that potential clients have, in most cases, adequate access to services, as individuals can apply for either the Child Care Broker or the Registered Family Homes Program at the local DHS office located in each county. Although some agencies do not have transportation services in all counties, referrals may be made to another agency.

Families First clients receive first priority for funding, and along with transitional clients, may fill a majority of funding slots (such clients accounted for 63 percent of slots at one agency we reviewed). According to staff at one agency, although they can stop service for a transitional or non-welfare, low-income client when it is determined the client is no longer eligible, they cannot stop service for a Families First client. In addition, Families First clients who lose their job through no fault of their own (e.g., if their place of work goes out of business) may receive an additional three months of child-care service.

According to program management, DHS notified them that transitional families have priority over nonwelfare, low-income parents for the limited Child Care Development block grant (CCD) funding. Such clients are to be automatically enrolled under the CCD (low income) category once their 18 months of Families First eligibility ends, provided they meet income eligibility guidelines.

Waiting Lists

Waiting lists have been maintained (when necessary) only for non-welfare, low-income families. No waiting lists are kept for the remaining categories because Families First, Transitional Families First, and Children's Services clients are automatically qualified and enrolled.

From August 1999 to March 2000, DHS froze funding for low-income, non-welfare families because of increased enrollments and projected budget overexpenditures. The funding freeze was necessary because of limited CCD block grant funding and an increase in the number of clients transitioning out of Families First (i.e., clients the program is required to serve) using some of the same funds set aside for clients in the low-income, non-welfare category. Agencies began to keep waiting lists for low-income, non-welfare clients, and the number of persons waiting quickly grew. At Southwest HRA, for example, between August 1999 and March 2000, when DHS finally released block grant funds, the list grew to approximately 625 families and 1,000 children. In March 2000, when funds were released, the agencies began contacting those clients on the waiting list to notify them that funds were available. As of June 2000, there were 90 families on the Southwest HRA waiting list. As of July 2000, Northwest Tennessee EDC had a waiting list of 175, and the number had been as high as 375 in March 2000. According to DHS staff in September 2001, funding for new slots for non-welfare, low-income families has again been frozen.

Monitoring

Agencies monitor clients' income and situation (i.e., employed/unemployed) to identify possible changes in eligibility. In addition, agencies have certain responsibilities for monitoring providers. For regulated homes in the Broker Program, monitoring responsibilities fall within the jurisdiction of DHS licensing authorities, who conduct initial inspections and any additional periodic visits that are required. For unregulated homes, the only on-site monitoring is conducted during the initial home visit by the agencies at the time of certification. If a problem is detected, the provider is given 10 days to correct the deficiency. At that time, the on-site monitor may have to go back for a follow-up visit. After enrollment, agencies monitor child attendance and payments to the providers.

Only unregulated home providers entering the program on or after January 1, 2000, require a home visit as a prerequisite to enrolling in the program. Providers already in the program as of that date were grandfathered in, and no requirements were made regarding home inspections. Minimum health and safety regulations were discussed with these providers in the agency office at the time of intake, however. These discussions were documented in the provider files using a health and safety checklist. DHS has considered developing a policy that would require home visits for providers already in the program as of January 1, 2000. As of May 2001, no inspections are required of these homes.

Case Management

The HRAs and CAAs do not provide comprehensive case management services for clients of the Child Care Broker and Registered Family Homes programs. Agency management emphasizes that the nature of the Broker Program itself may not warrant full-scale case management services. Many of the clients for these programs are served by DHS or are in the custody of DCS, and these agencies are already providing some form of case management.

Although true case management is not used, each client is assigned to a staff member who determines eligibility (for non-welfare, low-income enrollees), makes initial assessments and referrals, and conducts eligibility redeterminations. As brokers, staff can provide clients with information about the types of child care available and discuss the option that may be right for them, and provide education on financial counseling, early childhood intervention, and family counseling. Staff can also counsel the client on the time schedule involved in the Families First program and the sliding fee schedule that is used. Parents may be referred to classes for budget management or to pursue education, for example. However, staff do not perform all typical case management activities—no specific goals or objectives are established for individual clients, and progress on referrals is not monitored.

Performance Measures

In 1998, the Tennessee Department of Human Services (DHS) contracted with the Bureau of Business and Economic Research, Center for Manpower Studies, at the University of

Memphis to develop a performance index for the Child Care Broker Program. The Child Care Broker Evaluation Project was designed to provide DHS with objective feedback on how well the child care brokers are performing their duties within the state's subsidized child care system.

As part of the three-year contract, the university developed four different surveys designed to capture information from four different groups: (1) regulated providers, (2) unregulated providers, (3) parents, and (4) DHS staff. Most survey questions were written to address specific broker requirements as detailed in the DHS Child Care Broker Policy Manual. For example, all brokers are required to visit the establishments of unregulated providers who fall within their jurisdiction. In the unregulated provider survey, one question asks the provider if the broker has visited his or her establishment. Parents are asked questions about the quality of service, and providers are asked about the timeliness of payments from brokers. Most of the questions in the survey are assigned point values for the different responses.

In addition, DHS sends the University of Memphis administrative data that is evaluated for broker effectiveness. The information is primarily related to accuracy and timeliness in meeting reporting and paperwork requirements. For example, brokers are assessed point values based on the length of time it takes to approve Enrollment Attendance Verification (EAV) forms. As with the survey responses, the data are weighted and scored so that comparisons can be made among brokers across the state.

The evaluation process is designed for all brokers to be assessed twice each year. According to DHS staff, as of October 2001, all brokers had been surveyed at least once. Status performance reports were presented to DHS in February 2000 for Northwest Tennessee EDC, Upper Cumberland HRA, and Chattanooga Human Services (which is not included in the scope of this audit). In August 2001, the University of Memphis presented survey reports to DHS for the remaining broker agencies.

The surveys and administrative data appear to be an effective means of measuring customer satisfaction and determining whether brokers adhere to program requirements. By assigning point values to responses and performance criteria, the department is able to rank and make comparisons among agencies. Thus far, the department has not set specific performance levels that broker agencies must meet or developed outcome measures to determine the extent to which the program has resulted in short-term and long-term positive outcomes in the lives of program clients.

Types of Providers

Two types of providers participate in the broker program, regulated and unregulated. Statewide (i.e., including the four urban counties), as of March 1, 2001, there were 2,963 regulated providers and 2,702 unregulated providers serving over 55,000 children. Regulated providers include day-care centers, licensed group homes, licensed family homes, and registered family homes, all of which are licensed by and operate under DHS licensing guidelines. Individuals receiving childcare assistance under the Social Services Block Grant (i.e., working parents, teens, diagnosed–disability, noncustody–child welfare, and state custody–state foster

care) must be served by a regulated provider. The advantage of registering as a regulated home is that providers receive a higher reimbursement rate. Regulated provider homes must register with the agencies and agree to comply with policies under Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, and also to abide by minimum health and safety guidelines. The enrollment process for unregulated homes requires a home visit by a monitor prior to authorization to ensure that homes meet the same minimum health and safety requirements as those for regulated homes.

After providers have been enrolled and their eligibility determined, they are authorized to accept children and bill the state. Certificates, which detail both the maximum hours per week and the length of time that the state will pay the provider for services, are issued for each family. Certificates are issued for a maximum of six months, at which time clients must be recertified. For non-welfare, low-income clients, the agencies may issue certificates for periods of less than six months, depending on the agency's determination of the risk that a client will fail to meet program requirements. The authorization also indicates a copayment amount, which is the maximum amount the provider can charge for that individual client.

The provider is responsible for submitting to the agency a biweekly Enrollment Attendance Verification (EAV) form which documents attendance for each child during this two-week period, thus providing documentation of the number of billable days for each provider. Our review of agencies' provider files indicated that providers were submitting the forms as required.

REGISTERED FAMILY HOMES PROGRAM

The Registered Family Homes Program, authorized annually and funded with a federal grant through DHS, was developed to provide communities with a supply of qualified child-care providers in an effort to make regulated care a visible and viable option for parents with children who need care outside the home and family. The program also provides information, education, financial assistance, and leadership to individuals wishing to make a career of providing child care in their own home. (See page 90 for the HRAs/CAAs that operate this program.)

A Registered Family Day Care home is defined by DHS regulations as the private residence of a provider of child care for no more than four children not related to the caregiver. The home must be certified by a sponsoring organization to meet the program rules developed by DHS, but the homes are not required to be licensed as the regulated homes under the Broker program are. The HRAs and CAAs serve as the sponsoring agents and contract with DHS to assist in the voluntary registration of family day-care providers.

As stated, the program is voluntary for individuals who want to keep children in their homes. The target population is mothers who want to keep their own children along with other children as a means of making additional income. At least one of the children kept in the home

must be related to the provider. Acceptable relationships are child, grandchild, niece, nephew, or foster child of the provider. Providers may keep up to seven children—a maximum of four unrelated and three related children. A home exceeding this number must be licensed.

Because the Registered Family Homes program recruits and monitors providers as opposed to directly serving low-income families as other programs do, many of the issues considered for these other programs, such as case management and referrals, will not apply. Some aspects of the program, however, are noteworthy, and comments are provided below.

Outreach Activities—Communication efforts for the Registered Family Homes program include newspaper and radio advertisements, pamphlets, newsletters, public access television spots, and presentations to local organizations and Families First Councils. Providers receive a $100 check for start-up expenses, such as safety supplies, high chairs, arts and crafts, and toys. Recruitment projections help determine the number of homes that will be needed, and agencies attempt to recruit at least that number of providers.

Intake/Eligibility—No income-eligibility requirements are used for the Registered Family Homes program. Providers must be at least 18 years of age, pass physical and mental exams, and provide two nonrelated references. Applicants who inquire about the program are given an information packet and are required to attend a three-hour orientation/training session. Some of the applicants may already be keeping children, but in some areas as many as half of the applicants are not at the time they apply.

The guidelines for the program are not as strict as for the regulated home providers in the Broker program. Generally, providers must demonstrate knowledge of common sense for dealing with children. An initial in-home visit is conducted to verify that safety standards are met. When deficiencies are identified, applicants are given ten days to make corrections. Upon passing the inspection, applicants receive a three-year certificate. When the certificate expires, providers must be recertified by the same process.

Waiting Lists—Agencies do not maintain waiting lists for this program. The program does not receive applications for clients wishing to receive services. Rather, the agency registers providers wishing to keep children, and all eligible providers are accepted into the program.

Case Management/Client Monitoring—Agencies do not provide case management services for clients. They are, however, required to evaluate and monitor providers with at least one scheduled and one unscheduled visit the first year and one unscheduled visit in each subsequent year. In addition, providers must receive a minimum of three hours of annual training, which is provided by the agencies. The agencies offer four annual sessions which providers can attend. While the training is required, a provider's license cannot be revoked for failure to comply. Our reviews of provider files indicated that visits are made and that providers are meeting training requirements.

—No performance outcome measures are used to assess program effectiveness or overall achievement of goals. The program has no requirement for agencies to complete summary reports of program effectiveness.

HEAD START PROGRAM

Head Start, beginning in 1965, was designed to help break the cycle of poverty by providing preschool children of low-income families with a comprehensive child development program. Head Start serves children age three to school-entry age. In the 1990s, Early Head Start was initiated to serve pregnant women, infants, and toddlers. Most children transfer from Early Head Start into regular Head Start programs, if both programs are available in the service area. The programs' primary mission is to prepare children for success in school, using available resources to meet the needs of the child and family. The programs are child-focused and have the overall goals of increasing the social competence of young children in low-income families, helping families meet their goals, and promoting community involvement. Local Head Start programs work in partnership with parents to assist them in developing and using individual and family strengths in order to meet personal and family objectives. Parents are encouraged to become involved in all aspects of the program, through established councils and committees. Participation in children's activities, as well as direct involvement in policy and program decisions, including curriculum, is encouraged.

The program is federally funded through and monitored by the U.S. Department of Health and Human Services (HHS), Administration for Children and Families, Head Start Bureau. Three-year contracts are awarded to both public and private agencies. To operate a program, an agency must be not-for-profit, county-government affiliated, and limited purpose. Agencies must submit a proposal to HHS to be considered, with contracts awarded on a competitive basis. In awarding contracts, emphasis is placed on the quality of the proposal and the agency's ability to provide the highest quality service. Although Head Start is a federal-to-local program, the Bureau recognizes the importance and role of the states in policies, initiatives, and decisions that affect low-income children and their families. Therefore, the Department of Health and Human Services funds Head Start State Collaboration Offices to create a visible presence at the state level to assist in the development of significant, multi-agency, and public-private partnerships between Head Start and interested parties. Tennessee's Head Start State Collaboration Office, which is located in the Tennessee Department of Education, works cooperatively with the Tennessee Head Start Association, local Head Start directors and staff, and staff-level professionals to meet grant requirements.

For federal fiscal year 2000, Tennessee's Head Start allocation was approximately $92 million, for an enrollment of 15,747 children. Currently 11 of the 21 HRAs and CAAs included in this audit provide Head Start services in some or all of the counties in their service area. Four of the 11 Head Start agencies also offer Early Head Start (which is offered to pregnant women and children up to three years of age) in either all or a portion of the counties in their service

area. Mid-Cumberland CAA and Mid-East CAA offer Early Head Start in all of their service counties. South Central HRA offers the Early Head Start program in only 3 of its 13 counties. (South Central based its decision on need and also the fact it already had parent-child centers established in the 3 counties.) Northwest Tennessee EDC provides service in only 2 of its 9 counties, plus 4 other counties outside its service area. Northwest also offers Migrant Head Start in one county, Crockett. This program serves families who have moved into an area within the preceding two years for the purpose of engaging in agriculture work.

Table 14 lists all of the agencies in Tennessee providing Head Start, Early Head Start, and Migrant Head Start, and the counties in which the services are provided. (HRAs and CAAs included in this audit are printed in bold.) There does not appear to be any duplication of Head Start services. For most of the counties located in the service areas of the 21 audited agencies, the agency is the sole source for providing that service. In a few of the counties, the local school system provides a similar service, but funds are limited and the programs are generally full.

There does not appear to be a logical structure or explanation for determining which counties are serviced by which Head Start agency.   In several cases, counties are not geographically located within the service area of the agency providing Head Start service. Madison County, for example, which is located within the Southwest TN HRA's service area, is served by the Northwest TN EDC located in Dresden, approximately 50 miles away.

Auditors contacted the U.S. Department of Health and Human Services' (HHS') Head Start Bureau to determine the appropriateness and efficiency of a county's program being administered by an agency located outside the service area. Management responded that, although it is usually more efficient to award contracts for a county within a service area, that is not always the case. The department does not place an emphasis on logistics, as there are areas nationwide where a county's program is administered by an agency that does not typically serve that county. Some Mississippi counties for example, are served by agencies located in another part of the state. Head Start program performance standards state that among other criteria, selection is determined by which application demonstrates the greatest effectiveness.

Contract Process

As stated, agencies wanting to provide Head Start services must submit a contract proposal to the central HHS office in Washington, D.C. Contracts are awarded on a competitive basis. The application consists of a statement of need, a community needs assessment, a statement of intent to meet performance standards, and a management profile. The contracts are awarded in three-year increments, but agencies must reapply annually for funding authorization. A new needs assessment is not required for this re-authorization, but an agency may submit an update if it is requesting a program expansion. Provided there are no major problems or deficiencies, the grantee agency will receive funding every year of the contract.

Table 14
Agencies Providing Head Start and Early Head Start Programs During Fiscal Year 2001

AGENCY	HEAD START SERVICE AREA	EARLY HEAD START SERVICE AREA
Anderson County Board of Education (1)	Anderson	Anderson
CAS/Morgan County	Morgan	
City of Chattanooga Human Services	Hamilton	Hamilton
Clarksville/Montgomery County CAA	Montgomery	
Clinch-Powell Educational Cooperative	Campbell, Claiborne, Hancock (4), Scott	
Cordell Hull EOC	Clay, Jackson, Macon, Smith	
Douglas Cherokee EA	Blount, Cocke, Grainger, Hamblen, Jefferson, Monroe, Sevier, Union	
Family Resource Agency, Inc.	Bradley, McMinn, Meigs, Polk,	
Highland Rim Economic Corporation	Dickson, Stewart, Houston, Humphreys	
Knoxville-Knox County CAC	Knox	Knox
L.B.J.C. Development Corporation	Cumberland, Dekalb, Fentress, Overton, Pickett, Putnam, Warren, White	
Metropolitan Action Commission	Davidson	Davidson
Mid-Cumberland CAA	Cannon, Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, Wilson	Cannon, Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, Wilson
Mid-East CAA (2)	Loudon, Roane	Loudon, Roane
Northwest Tennessee Economic Development Council (3)	Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, Weakley, Madison, Fayette, Lauderdale, Tipton	Carroll, Obion, Madison, Fayette, Lauderdale, Tipton
Porter Leath Children's Center		Shelby
Sequatchie Valley	Bledsoe, Grundy, Marion, Rhea, Sequatchie	
Shelby County	Shelby	
South Central HRA	Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne	Bedford, Giles, Lawrence
Southwest Tennessee HRA	Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, McNairy	
Tennessee Cares		Gibson, Henry, Obion, Weakley
Upper Cumberland HRA	Van Buren	
Upper East TN Human Development Agency	Greene, Hancock (4), Hawkins, Sullivan, Unicoi, Washington, Carter (5), Johnson (5)	

Notes: (1) The City of Oak Ridge operates Head Start under subcontract with Anderson County.

(2) Mid-East provides home-based Head Start.

(3) Northwest also offers Migrant Head Start in Crockett County. Northwest's Early Head Start is funded through a research grant administered by the Head Start Bureau's Washington, D.C., office.

(4) Clinch-Powell EC provides home-based services in Hancock County. Upper East TN HDA provides center-based services in Hancock County.

(5) Carter and Johnson Counties administer their own programs under a subcontract with Upper East, which is the DHHS grantee.

Agencies that find themselves lacking necessary funding to enroll all eligible applicants have options to address this situation. Agencies may apply for interim funding in late spring or early summer. It is at this time that the Head Start Bureau issues an announcement for an opportunity to apply for expansion to address large waiting lists or convert part-time slots to full-time slots. As with the contract process, awards for this annual expansion are made on a competitive basis. Agencies do not compete against agencies from other states; rather, they compete for a limited pot of money earmarked for each state. Tennessee received approximately $4 million during fiscal year 1999-2000 for this purpose.

The Early Head Start program provides an example of how emphasis is placed on current grantees in awarding contracts. Early Head Start began as a demonstration project in the early-to-mid-1990s. The demonstration was considered a success, and Congress authorized additional funding for the program. The initial five-year grants were awarded on a competitive basis. The initial five-year contracts expired in fall 1999, and an announcement was placed in the Federal Register announcing the opportunity to participate. Although any agency, public or private, can compete, award preference is given to an existing Head Start grantee.

Once an agency has successfully administered Early Head Start without any major problems during the first five years, it is reawarded the grant. This has also become the case in recent years for Head Start. Provided there are no major problems during the contract period, an agency that currently administers the program will (assuming it applies) generally receive the new grant once the three-year contract has expired.

Needs Assessment

Head Start Program performance standards require that all contract agencies conduct a community assessment once every three years. In conducting the assessment, the agency solicits the opinions of parents and community leaders and analyzes census data. Some agencies use information maintained on Kids Count, the Tennessee Commission on Children and Youth's database. Others ask parents to complete a survey to assess their needs.

The assessments are submitted every three years to HHS as part of the contract proposal package. They are designed to determine the strengths and weaknesses of the community, and to require agencies to collect and analyze data on the demographics of eligible children and families; the numbers and types of disabled children; the education, health, nutrition, and social service needs of families; and available resources in the community that can be used to meet these needs. The information is used to help develop program objectives, determine the types of services needed, and identify the recruitment area and locations for centers. Based on a review of and visit to the participating HRAs and CAAs, all are in compliance with this regulation.

Agencies have used the needs assessments to identify the increased demand for services in certain areas. For example, Highland Rim identified the need for three new centers which are now either built or under construction. The establishment of additional Head Start centers has helped agencies address transportation problems and has reduced the amount of time children spend on buses.

In addition to the triennial needs assessment, each agency is required to conduct an annual self-assessment of its effectiveness and progress in meeting program goals and objectives and in implementing federal regulations. The assessments are to serve as a means of measuring agency accomplishments, determining strengths and weaknesses, and allowing opportunities for the continuous improvement of the program plans and service delivery methods. These assessments are developed for the benefit of the local agency, and no formal report is submitted.

Outreach Activities

Head Start program performance standards require each grantee to develop and implement a recruitment process for its service area designed to actively inform all eligible families of the availability of services and to encourage them to apply. Agencies appear consistent in their efforts to meet this mandate; however, most of the agencies' management indicated that the current income guidelines are making it increasingly difficult to find eligible families. As a result of participation in the Families First Program, many Tennessee families have made financial advancements in recent years. These advancements have raised income levels to just above the poverty guidelines. Although such families may still need the assistance provided by Head Start, they are now ineligible for services.

Efforts made to fill funded slots include placing public service announcements or paid advertisements in newspapers and on radio, speaking at local organizations, and leaving flyers at sites in the community where eligible persons may congregate (businesses, medical offices, government housing project offices, and local health departments). Some agencies obtain DHS reports that list families on public assistance who have Head Start-age children. These families are contacted and encouraged to apply. Several agencies conduct door-to-door recruiting campaigns for families in neighborhoods identified as low-income.

Access to Services

Client access to services has presented problems for some agencies, especially in transportation of both children and parents. Most agencies have taken steps to ensure that no client is prevented from obtaining services because of insufficient transportation.

Some counties have multiple Head Start locations. In the smaller counties with only one Head Start center, attempts are made to locate the center within the county seat. According to agency management, it is not always possible to locate centers near the areas of greatest poverty or need in the county. It may be too costly and unfeasible to relocate a center or open a new one. Because of limited resources, agencies often rely on structures that are donated, loaned, or offered at a low rent. In Fayette County, the center is located in Moscow, near the Mississippi state line, because that is where a building was offered. In addition, the buildings are sometimes older and may not be the most comfortable for the students. One center auditors visited did not have air conditioning because the center lacked funding to purchase a system.

All agencies transport children to centers either in vans or buses operated by the agency itself or through arrangements with local school systems. There are a few areas, however, where an agency does not have bus service. Northwest Tennessee EDC has had to use the services of the local HRA to provide transportation in the Union City and South Fulton areas. In counties that do not have a center (e.g., Trousdale), students are bused to centers in neighboring counties.

Although agency personnel indicated that no application for Head Start is ever refused, distances from centers may prevent a family from being served. Staff stated that they sometimes have to use discretion when deciding whether to transport a child. Although there are no federal Head Start guidelines regarding the maximum amount of time a child is allowed to ride on a bus per day, Tennessee statutes limit the amount of time a child is permitted to spend in transport to and from a center to a total of one and a half hours per day.

Some agencies have addressed the distance problem by working with the families to establish pick-up points where parents can meet the buses. Cordell Hull has experimented with this practice for the 2000-01 school year with good results—the agency reports the farthest distance a parent has to travel from home is 15 miles. Grantees also have the option of offering a home-based program where services are provided in the child's home through intensive work with the child's parents. Of the agencies included in this audit, only Mid-East CAA offers the home-based program.

Transportation for parents to and from referred service locations (e.g., doctors, classes, food stamp offices) can also pose problems. Some agencies have transportation services that provide rides while others have to refer clients to other agencies.

Intake and Eligibility

All agencies we reviewed require an individual Head Start application from each family. The application itself appears to be user friendly and easy to follow. Agency personnel are willing to help those who have difficulty completing the application.

To be eligible for Head Start, a child must be at least three years old by the date used to determine eligibility for public school in the community. Children may remain in the program until a kindergarten or first grade class is available for them to enter. At least 90 percent of children enrolled in each program must be from low-income families. Income eligibility is determined by federal poverty-level guidelines. Applicants are required to submit proof of income (i.e., a W-2 form, check stubs, or an employer verification statement). A review of client files confirmed that eligibility is being verified.

As required by Head Start standards, agencies use a point system to prioritize eligible applicants. Agencies have flexibility in establishing criteria (in addition to the federally established income guidelines), but in general the criteria include family size, whether the head of household is a single parent, what social services (if any) are needed, and whether a disability exists in the family. This prioritization process is especially important for agencies that have more applicants than funded slots. For agencies that have more slots than applicants, all clients

meeting income-eligibility requirements are automatically enrolled, and prioritization is not necessary.

A 1972 federal mandate requires at least 10 percent of Head Start enrollment opportunities to be allocated for children with professionally diagnosed disabilities. According to the Director of Tennessee's Head Start State Collaboration Office, Head Start programs work cooperatively with families, schools, and community agencies to meet this requirement and help ensure that children with disabilities enrolled in the programs receive all the services to which they are entitled. According to the director, in some communities, the Head Start program is the only early childhood program available for children with disabilities.

In addition, up to 10 percent of enrollees may be from families whose income exceeds the poverty guidelines but who have met criteria established by the agency. (Some of these children may also be children who qualified under the mandate described in the paragraph above.) According to HHS personnel, this flexibility is needed to address special needs. Although most agencies attempt to fill these slots with disabled children, they can also use this exemption to address the special needs and situations of families—many headed by single, working mothers— who are just above the poverty guidelines.

Agency program staff expressed concerns that the Head Start income guidelines are too low, making many needy families ineligible. HHS staff stated, however, that measures are in place to adequately address low-income families whose income may rise to the point that it exceeds program guidelines. As of 1999, if a family receives assistance through Temporary Assistance for Needy Families (TANF), the children are automatically eligible for Head Start. In Tennessee, TANF is administered as the Families First Program. All families determined income-eligible remain eligible for Head Start through that enrollment year and the immediately succeeding enrollment year, even if their income rises above the poverty guidelines. Also, if any member of a household receives Supplemental Security Income, all children in the household qualify for Head Start, regardless of income.

Waiting Lists

All Head Start centers are required to maintain waiting lists of eligible children who cannot be served because of lack of funding. A county's population, whether a county is more urban or rural, and the number of single mothers can influence the size of an agency's waiting list. Some agencies have trouble recruiting sufficient numbers to fill the funded positions and have no names on their waiting lists. Other agencies reportedly have had waiting lists of 50 percent or more of the enrolled population in recent years. Few of the waiting lists we reviewed included application dates and none of the agencies assessed or monitored the length of time an applicant may remain on the list.

Eligible clients on a waiting list can only be enrolled if a current client drops out of the program or additional funding is obtained. According to some program staff, turnover is high for Head Start as lower-income families tend to move frequently from one area to another. However, some eligible families may never receive services if enough slots do not open up.

Referrals

Head Start performance standards require that within 90 days of enrollment an agency must determine whether a child has adequate access to health care and must assist the parent in finding care if current access is inadequate. Strategies can include identifying long-term providers, working with local Medicaid agencies, and following up to ensure services are being provided. Agencies must ensure children receive medical, dental, and mental health screenings, and are up to date on immunizations.

In addition, a primary tenet of the Head Start program is to provide both children and their families with the resources necessary to meet their personal goals and objectives. In some situations, the agency itself can meet these needs through other programs. A family needing assistance paying a utility bill or meeting their food needs may be referred to the agency's CSBG program and/or LIHEAP. At other times, however, the agency is unable to meet these needs and an attempt is made to link families with other health and social service agencies in the community. Head Start performance standards also require agencies to document such referrals. Head Start files reviewed by auditors indicate that agencies were making and documenting medical, as well as social services, referrals, and following up to determine if the families are making use of the services offered.

Some agencies detailed the difficulty in meeting the medical referral demands for families, especially in areas where there is a shortage of providers or no providers willing to accept TennCare clients. For example, children in Highland Rim's service area are transported to Clarksville or Dickson because there is a shortage of dentists in the area.

Client Monitoring

Within 45 days of enrollment, agencies must conduct an assessment of each child to identify areas of concern regarding the child's developmental, sensory, behavioral, motor, language, social, cognitive, perceptual, and emotional skills. Although the standards do not require the use of a specific assessment instrument, the majority of agencies reviewed in this audit use the LAP-D (Learning Accomplishment Profile-Diagnostic) assessment. These assessments are used to identify areas of weakness where improvements can be made. All agencies we reviewed maintain documentation of assessments.

Case Management

Each family is assigned a family service worker who, along with other agency staff, is responsible for establishing a collaborative partnership with parents. The family service worker makes the initial home visit and completes the Family Partnership Agreement, which identifies any areas of need the family may have, family goals, responsibilities, and timetables and strategies for achieving these goals. Federal performance standards require that grantees offer parents the opportunity to develop and implement individualized agreements; however, there is no requirement for completion of a formal, written contract. According to HHS staff, grantees

need flexibility in establishing goals for families, and requiring a written document from parents may not always be the best way to build the mutual trust needed to encourage goal attainment. Based on visits and file reviews conducted, the HRAs and CAAs are not consistent in having parents complete a written agreement. Files reviewed at some agencies indicated all families had completed agreements, while at other agencies none were completed. In addition, some completed agreements did not contain specific goals.

The family service worker is also responsible for making resources available that will help families achieve their goals. For example, parents may wish to obtain a GED, or if they have already graduated from high school, they may wish to further their education either in college or vocational school. Parents may wish to obtain employment or improve their housing situation. Whatever the goal, the family service worker should make the necessary referrals, including transportation, if needed.

Performance Measures

The federal Head Start Bureau has developed comprehensive performance standards, which are the mandatory regulations that agencies must implement in order to operate a program. The standards define the objectives and features of a quality Head Start program, articulate a vision of service delivery, and provide a regulatory structure for the monitoring and enforcement of quality standards. The standards provide guidance for achieving the program's objectives and success for individual clients but appear to lack the definitive measures and indicators needed to determine overall program success. Agencies do not, for example, track the progress of Head Start children after they leave the program and enroll in school. Based on visits to Head Start centers and review of client files, it appears the agencies do an adequate job in assessing and measuring the development and performance of individual clients. However, with no means of tracking children after they leave the program, the agencies are limited in their ability to determine the overall, long-term success of the program.

The Head Start Bureau is currently in the process of revising its performance standards and outcome measures. As of January 1, 1998, grantees were asked to begin revision of performance standards, the first such revision in 25 years. The Head Start Amendments of 1998 established additional education performance standards to ensure that children, at a minimum, develop phonetic, print, and numeric awareness; understand and use language to communicate for various purposes; understand and use increasingly complex and varied vocabulary; develop and demonstrate an appreciation of books; and in the case of children who do not speak English, demonstrate progress toward the acquisition of the English language. In addition, the legislation required that the Head Start Bureau (1) develop results-based performance measures to ensure that children participating in the program possess basic language and educational skills and (2) begin tracking progress in these skill areas.

In an information memorandum issued in January 2000, the Bureau stated that it would develop additional indicators of children's progress in the areas of general cognitive skills, gross and fine motor skills, positive attitudes towards learning, and physical health, to complement those indicators focusing on emergent literacy, numeric, and language skills. The Bureau will

also develop "a statement of clear expectations for grantee implementation of outcomes-based program self-assessment, including principles related to child assessment, tracking, and analysis of data on patterns of children's progress and outcomes."

Prior to 2000, Head Start used the On-site Program Review Instrument, a paper reporting system, to monitor program effectiveness. Because the system had become outdated and as a result of the 1998 legislation, the bureau has been developing the instruction and methodology to be used in a new monitoring tool. According to Bureau personnel, the Program Review Instrument for System Monitoring, a computerized monitoring system, will provide the ability to monitor programs electronically and should be fully implemented within the next year or two. The fiscal year 2001 Head Start budget provides agencies with quality improvement funds to develop and improve program outcomes. These funds may be used to upgrade information and technology systems to meet this objective.

In July 1999, the department notified grantees that performance outcome measures were being developed. In January 2000, grantees were told of current initiatives to support implementation of performance outcome measures, along with guidance on implementation of requirements by grantees. Agencies have been asked, and some have slowly begun, to implement the new measures and monitoring system. During monitoring reviews conducted during the 1999-2000 academic year, federal monitors asked grantees to show actions being taken in this direction. The bureau representative we interviewed was, however, unable to provide a projected implementation date for the new performance measures.

Agencies appeared to vary widely in their understanding of and preparedness for the implementation of performance measures. Some program management expressed little knowledge of the measures, had not yet taken actions to prepare for implementation, and were awaiting further direction from the Head Start Bureau. Others have taken initial steps in the direction of improved monitoring of client information. One agency, Douglas Cherokee Economic Authority, has begun tracking indicators such as numbers of referrals, numbers of participants receiving health services, and numbers of parents receiving their GEDs.

EMERGENCY FOOD ASSISTANCE PROGRAM

The Tennessee Department of Agriculture is responsible for administering the U.S. Department of Agriculture's (USDA's) Emergency Food Assistance Program (EFAP), informally know as the Commodities Program. This program provides food to low-income individuals meeting the program's eligibility criteria. Individuals have to meet one of two sets of criteria: 1) proof of eligibility for food stamps, Families First, Supplemental Security Income, public housing, or low-income home energy assistance; or 2) completion of a signed, self-declaration income statement showing that the total amount of household income is below 150 percent of the current income poverty guidelines as provided by the USDA Southeast Regional Office.

The department uses two types of organizations for food distribution: emergency feeding organizations (community action and human resource agencies) and food banks. According to information provided by the Department of Agriculture's Commodities Administrator, all 95 counties are covered, and there is no duplication of services within the program (i.e., only one agency is responsible for general distribution of commodities in any given county). However, some counties also have food banks that distribute food through pantries or at congregate feeding sites; unlike emergency feeding organizations, pantries do not have mass distributions but instead keep a constant inventory of food to help individuals in emergency situations. Some of the emergency feeding organizations also operate their own emergency food pantries. The department provided $1,095,653 in administrative funds and over $5 million in commodities to the 21 emergency feeding organizations and six food banks in federal fiscal year 2001. (See Table 15.)

During our agency site visits, we interviewed commodities directors, reviewed commodities files (if kept), and observed commodity distributions by three agencies. Our overall conclusions based on that audit work are as follows:

Needs Assessment – None of the agencies did a separate needs assessment for commodities. Most of the agencies' needs information was obtained from needs assessments required to be performed as part of the Community Services Block Grant Program or from a review of the numbers of clients at previous commodity distributions. Department of Agriculture staff indicated that the department relies on lists of needy households served by agencies' other programs when determining the amount of food to send to each agency.

Agency staff generally indicated that the supply of food was adequate (none mentioned running out of food while clients were still waiting). At most agencies, commodity distributions were held quarterly; several agencies indicated that they had changed from monthly to quarterly distributions so that clients would have to make fewer trips to the distribution site and could pick up larger amounts of food.

Outreach and Access – Agencies mentioned newspaper and television advertisements, announcements at food stamp offices and senior citizen centers, and word of mouth as ways clients find out about commodity distributions. Most agencies (particularly those serving more than one county) have various distribution sites throughout the agency's service area. To assist persons who are unable to pick up the commodities themselves, most agencies have a system to allow eligible persons to designate one or more other persons to pick up their commodities for them. In addition, several agencies (such as Anderson County CAC, Mid-Cumberland CAA, Clarksville-Montgomery County CAA, and South Central HRA) specifically mentioned that they will deliver the commodities to clients who are unable to pick them up.

Table 15
EFAP Funding for Federal Fiscal Year 2001

Agency	Administrative Dollars	Food Value
Emergency Feeding Organizations		
Anderson County Community Action Commission*	$32,735	$55,951
Blount County Community Action Agency*	11,955	20,331
Bradley-Cleveland Community Services Agency*	14,425	32,044
Chattanooga Human Services Department	75,435	188,323
Clarksville-Montgomery County Community Action Agency*	11,855	28,493
Cordell Hull Economic Opportunity Corporation*	14,855	86,266
Delta Human Resource Agency*	34,545	131,806
Douglas-Cherokee Economic Authority*	35,975	129,847
East Tennessee Human Resource Agency*	39,250	114,520
Highland Rim Economic Corporation*	21,200	97,078
Knoxville-Knox Co. Community Action Committee	52,990	105,556
Metropolitan Development and Housing Agency	39,900	70,159
Mid-Cumberland Community Action Agency*	38,915	206,405
Mid-East Community Action Agency*	15,808	34,716
Northwest TN Economic Development Council*	48,650	381,483
Shelby County Government Community Services Agency	125,605	287,240
South Central Human Resources Agency*	42,380	260,297
Southeast TN Human Resource Agency*	35,180	138,799
Southwest Human Resource Agency*	48,565	348,405
Upper Cumberland Human Resource Agency*	59,465	266,384
Upper East TN Human Development Agency*	45,565	164,308
Subtotal for Emergency Feeding Organizations	$845,253	$3,148,411
Food Banks		
Chattanooga Area Food Bank	$45,100	$340,301
Memphis Food Bank	44,850	336,156
Second Harvest Food Bank of East Tennessee	41,100	371,786
Second Harvest Food Bank Nashville	46,500	436,150
Second Harvest Food Bank of Northeast Tennessee	42,600	275,283
Second Harvest Food Bank of West Tennessee	30,250	171,916
Subtotal for Food Banks	$250,400	$1,931,592
Total Administrative Funds to Agencies	$1,095,653	
Administrative Funds Retained by State	42,366	
Program Total	$1,138,019	$5,080,003

* Agencies included in this audit.

Intake and Eligibility – Agencies have differing philosophies and use different methods to certify applicants as eligible to receive commodities. Most agencies certify clients in advance, for a set period of time (e.g., a year). These agencies will also certify clients the day of the distribution. The precertified clients are typically given a commodities card, which they present at the distribution. To help ensure that clients only get the prescribed amount of commodities, agencies such as Southeast Tennessee HRA, Clarksville-Montgomery County CAA, Southwest HRA, Highland Rim Economic Corporation, and Cordell Hull Economic Opportunity Corporation punch or mark the card to indicate that commodities have been received.

Other agencies, such as the Upper East Tennessee Human Development Agency (UETHDA) and Blount County CAA, require that clients provide eligibility information every time they come to the commodity distribution sites. UETHDA staff stated that their agency does not use commodities cards because such cards may give clients the impression that the food is an entitlement. Also, if a client's income level increases to the point that he or she is no longer eligible, that ineligibility could be identified at the next distribution rather than at the next certification, which may be many months away.

Department of Agriculture staff responsible for monitoring EFAP gave no opinion as to which method was preferable, noting only that the USDA believes agencies should use the least intrusive method to determine program eligibility. According to program guidelines, in order to be certified as eligible, clients may either self-declare their income; provide proof of eligibility for food stamps, Families First, Supplemental Security Income, or the Low-Income Home Assistance Program; or provide proof that they reside in public housing. Commodities staff in some of the agencies we reviewed indicated that, whenever possible, they expected clients to provide some proof of eligibility (i.e., other than self-declaration of income). During our reviews of commodities files, we found that although most agencies did an excellent job of documenting eligibility (including self-declarations), some files did not contain documentation that clients were eligible for the program.

Performance Measures/Client Monitoring and Tracking – Neither the agencies we reviewed nor the state had developed performance measures relating to commodity distribution. The only measures tracked were output measures (i.e., number of individuals served and amount of food distributed). In addition, the files reviewed at most agencies contained little or no evidence that agencies tracked client information such as prior assistance received or that agencies used the commodities application process to identify clients' other needs and make referrals to other programs or other agencies. Files at a few agencies, such as the Northwest Tennessee Economic Development Council, did document referrals made to other programs.

HOUSING PROGRAMS

There are several programs in Tennessee such as Section 8 Housing, the HOME program, and the HOUSE program that seek to provide rental aid or housing rehabilitation to low-income persons. Several of the community action agencies (CAAs) and human resource agencies (HRAs) have participated in these programs. Auditors interviewed housing staff and reviewed files at the following agencies: Delta HRA in Covington, Douglas-Cherokee Economic Authority in Morristown, East Tennessee HRA in Knoxville, Highland Rim Economic Corporation in Erin, Northwest Tennessee Economic Development Council in Dresden, Southeast Tennessee HRA in Dunlap, Southwest HRA in Henderson, Bradley-Cleveland CSA, and Blount County CAA in Maryville.

The Tennessee Housing Development Agency (THDA) submits an annual performance report to the U.S. Department of Housing and Urban Development (HUD). This report details the state's progress in achieving the goals of the five-year Consolidated Plan. The consolidated plan is based on projections of economic trends, the nature and extent of population growth, and housing market conditions. The agencies whose housing programs we reviewed did not conduct any additional housing needs assessments for their individual service areas.

Section 8 Housing

The Section 8 rental assistance program is a federally funded program under the jurisdiction of the U.S. Department of Housing and Urban Development (HUD). The program helps eligible persons obtain decent, safe, and sanitary housing by paying a portion of their monthly rent (including utilities) directly to their landlord. Eligibility is based on the income of the family unit—applicants' income must fall within either the "extremely low" (at or below 30 percent of the median area income) or "very low" (at or below 50 percent of the median area income) level for their family size (based on HUD guidelines).

Persons who are issued a Section 8 voucher are responsible for obtaining suitable housing. They are not limited to dwellings located in public housing projects but may choose any unit that meets the HUD-published Fair Market Rent Guidelines for the program, specific to the county where the unit is located. Once a participating family selects a housing unit (home, apartment, or mobile home), the local Public Housing Authority (PHA) must approve the lease and the unit (by performing a Housing Quality Standards inspection). The landlord is responsible for maintaining a safe, sanitary home for the participant at a rent comparable to other similar units in the vicinity.

Thirty-two PHAs in the state, including the state housing finance agency—the Tennessee Housing Development Agency (THDA)—administer the Section 8 rental assistance program. Of the human resource and community action agencies included in the scope of this audit, the East Tennessee HRA (ETHRA) located in Knoxville and the Southeast Tennessee HRA (SETHRA) located in Dunlap are the only two such agencies currently operating Section 8 programs. In their respective service areas, these two agencies share the same geographical jurisdiction with

other local PHAs, and ETHRA also shares several counties with THDA in providing Section 8 rental assistance. For example, three agencies operate Section 8 programs in McMinn County: SETHRA, Athens Public Housing Authority, and Etowah Public Housing Authority. In Anderson County, there are four Section 8 providers: ETHRA, THDA, the La Follette Public Housing Authority, and the Oak Ridge Public Housing Authority.

SETHRA and ETHRA take applications for Section 8 at their county offices and then send the files to their central offices for processing. In the region served by SETHRA, there were 233 slots available as of May 2000. Of these, approximately 170 were filled, with an additional 60 applicants approved for housing assistance. ETHRA's program comprised 582 slots in 16 counties, as of July 2000. According to HRA staff, many clients are referred to the Section 8 program by other in-house programs or by the county offices operated by the Department of Human Services.

The Section 8 client files we reviewed contained verification of client income but lacked other information such as evidence that Section 8 staff referred clients to other services, that a caseworker had been assigned for each client, or that client goals or objectives had been established. HRA staff indicated that the number of people served is an adequate measure of program success. We found no evidence of the use of any other performance measures.

Home Investment Partnership Program (HOME)

The U.S. Department of Housing and Urban Development's HOME program provides funds to cities, counties, and states that qualify as participating jurisdictions to carry out multi-year affordable housing programs. THDA (which adds some matching funds) awards the HOME funds through a competitive application process to cities, counties, and nonprofit agencies including Community Housing Development Organizations. During fiscal year 1999, 38 grantees were awarded HOME funds to construct or renovate a total of 455 units, at a total cost of nearly $13.9 million. The grantees receiving awards included city and county governments, as well as nonprofit organizations; no human resource or community action agencies were among those receiving grants in 1999. Bradley-Cleveland CSA operated the HOME program as a subcontractor for Cleveland-Bradley Housing, Inc. In addition, Delta HRA received a four-year $250,000 grant in 1998. During 2000, 45 grantees, including East Tennessee HRA, Highland Rim Economic Corporation, and Southwest HRA, were awarded nearly $15.6 million in HOME funds. As of May 2001, neither East Tennessee HRA nor Highland Rim EC had expended any of their $500,000 grants; Southwest HRA had expended only a little over $2,000 of its nearly $406,000 grant.

The grants are directed to states and local governments, as well as nonprofit organizations, to fund a wide range of activities. These include building, buying, and/or rehabilitating affordable housing for rent or home ownership, using a formula grant process. HOME funds are awarded annually to participating jurisdictions. The federal Department of Housing and Urban Development establishes HOME Investment Trust Funds for each grantee, providing a line of credit that the jurisdiction may draw upon as needed. States and local governments may distribute these funds in the form of grants, direct loans, loan guarantees, or

other forms of credit enhancement, rental assistance, or security deposits. Highland Rim Economic Corporation also designed the HOME application for the Spring Street Redevelopment project in Erin, which renovated five abandoned and dilapidated homes for low-income families.

A file review by auditors found that, while income verification was present in all files, not all of the files reviewed contained evidence that any HOME clients had been referred to other agency programs. No performance measures were used to assess the effectiveness of the HOME program.

House Program (HOUSE)

The HOUSE program in Tennessee was the state program that paid for the construction or rehabilitation of 713 dwellings during fiscal year 1999, at a cost of almost $9.9 million. The 58 grant recipients included both city and county governments, as well as several private nonprofit agencies. The HOUSE program has not been funded by the General Assembly since fiscal year 1999. Funds for the HOUSE program were raised through dedicated revenue generated from the real estate transfer tax (also known as the deed conveyance tax) and the mortgage recording tax (also known as the deed of trust tax). In fiscal years 2000 and 2001, however, the General Assembly redirected these revenues to the state's general fund.

During fiscal years 1998 and 1999, East Tennessee HRA, Southeast Tennessee HRA, Blount County CAA, and Highland Rim Economic Corporation all received HOUSE grants. Northwest Tennessee Economic Development Council and Southwest HRA also received grants in fiscal year 1998. The files we reviewed at these agencies generally contained the requisite information such as income eligibility, photographs of needed repairs, the client contract agreement with the responsible agency and builder, and credit reports. However, the files did not consistently document referrals of clients to other services, or that each client's individual goals or objectives had been attained (not required by THDA). (Highland Rim EC files did contain evidence of referrals to internal programs.) In addition, there was no evidence that the agencies used performance measures to ascertain the effectiveness of the program.

HUD Technical Assistance Program

The HUD Technical Assistance program in Tennessee is administered by the Douglas-Cherokee Economic Authority in Morristown. The agency trains cities and counties to broker real estate transactions for their housing programs. The program provides technical support to governmental entities, lending institutions, and nonprofit agencies interested in community development, seeking to bring homeless persons into a housing system, with self-sufficiency as the ultimate goal.

With help from the Technical Assistance program, these organizations can apply for funds as a Community Housing Development Organization, obtain a HOME Investment Partnership Grant, apply for a Community Development Block Grant, or participate in the

Supportive Housing program. These programs are directed toward construction, rehabilitation, and rental assistance for low-income persons, including the homeless. Douglas-Cherokee Economic Authority also assists with economic development activities in "enterprise zones" (areas designated as economically distressed by HUD).

TRANSPORTATION SERVICES

Several of the agencies we reviewed offer transportation services—in some cases to the general public, in other cases to specific segments of the public such as elderly and/or disabled citizens or persons with low incomes. The major transportation program offered is the Rural Public Transportation Program provided through the U.S. Department of Transportation's Section 5311 program, administered by the Tennessee Department of Transportation, and funded with federal, state, and local dollars (as well as revenue from fares). As of October 2000, the Tennessee Department of Transportation contracted with 11 agencies to provide transportation services in rural areas (see Table 16). Of these 11, 8 were human resource agencies. No community action agencies provided transportation services. The goals of the program are

1. to enhance access of people in nonurbanized areas to health care, employment, education, public services, and recreation;

2. to assist in the development, maintenance, improvement, and use of public transportation systems in rural areas;

3. to facilitate the coordination of programs and services funded by other federal programs;

4. to provide for the participation of private transportation providers; and

5. to provide an equivalent level of transportation service to citizens with disabilities in nonurbanized areas.

The Tennessee Department of Transportation (TDOT) acts as a pass-through agency for the federal funds, combining those funds with state and local matching funds, and then distributing them to local rural transportation providers. Department staff stated that the criteria for determining the amount given to each grantee include the number of counties it serves, the number of vehicles in its fleet, and the size of the nonurban population in its service area (see Table 17 for fiscal year 2001 funding for each grantee).

Table 16
Rural Transportation Operators' Fleets
October 2000

Operators	Vehicles
Delta Human Resource Agency*	34
East Tennessee Human Resource Agency*	52
First Tennessee Human Resource Agency*	56
Hamilton County Rural Transportation System	12
Hancock County Rural Transportation System	6
Mid-Cumberland Human Resource Agency*	51
Northwest Tennessee Human Resource Agency*	64
South Central Tennessee Development District**	57
Southeast Tennessee Human Resource Agency*	51
Southwest Human Resource Agency*	68
Upper Cumberland Human Resource Agency*	77
Total	528

  * Agency included in the scope of this audit.
** This agency contracts with South Central HRA to provide transportation services
   for the elderly in Northeast Coffee, East Franklin, and Southeast Lawrence Counties.

The department does no formal annual needs assessment, but department staff said that the operators' annual grant application process requires a five-year projection of ridership. In 1998, Southeast HRA (and other grantees) had a formal needs assessment conducted by a TDOT consultant. In addition, other HRAs (e.g., First Tennessee and Northwest Tennessee HRAs) indicated that they periodically survey riders to identify customer needs and satisfaction levels. The transportation services are open to the general public; in addition, operators have contracts with TennCare, Families First, and Area Agencies on Aging to provide transportation for clients of their programs. Agencies typically advertise the program through the media, presentations to potential user groups (e.g., at senior citizens' centers), and dissemination of brochures or posting of notices in places frequented by potential clients. Staff at some agencies (such as the East Tennessee HRA), however, stated that they do not advertise the program because they are already operating at capacity.

The rural transportation operators provide transportation services in every county of the state with no overlap of service areas. (See Exhibit 13.) However, other agencies also have similar transportation operations in some counties. For example, First Tennessee HRA and First Tennessee Community Services Agency both provide transportation services to TennCare clients. A similar situation exists between East Tennessee HRA and Knoxville-Knox County Community Action Committee. Mid-East Community Action Agency also provides transportation services to the elderly in East Tennessee Human Resource Agency's service area. These services focus on bringing individuals to congregate meal sites. In addition, agencies such as First Tennessee and Mid-Cumberland HRAs mentioned competition with private companies.

Table 17

Rural Transportation Operators Funding Sources
Fiscal Year 2001

Operator	Federal		State		Local		Total
	Dollars	Percentage	Dollars	Percentage	Dollars	Percentage	
Delta Human Resource Agency	$295,375	31.4%	$218,110	23.2%	$427,490	45.4%	$940,975
East Tennessee Human Resource Agency	964,100	35.2%	833,448	30.5%	937,141	34.3%	2,734,689
First Tennessee Human Resource Agency	532,325	25.4%	573,265	27.3%	990,537	47.2%	2,096,127
Hamilton County Rural Transportation System	84,869	16.2%	61,451	11.7%	378,657	72.1%	524,977
Hancock County Rural Transportation System	57,546	32.8%	39,707	22.6%	78,285	44.6%	175,538
Mid-Cumberland Human Resource Agency	762,566	36.8%	604,022	29.1%	708,318	34.1%	2,074,906
Northwest Tennessee Human Resource Agency	592,635	35.6%	477,988	28.7%	592,784	35.6%	1,663,407
South Central Tennessee Development District	694,262	38.3%	511,866	28.2%	609,156	33.6%	1,813,284
Southeast Tennessee Human Resource Agency	525,785	28.2%	388,416	20.8%	947,830	50.9%	1,862,031
Southwest Human Resource Agency	421,434	20.7%	521,025	25.5%	1,097,071	53.8%	2,039,530
Upper Cumberland Human Resource Agency	659,720	26.7%	789,871	31.8%	1,032,399	41.6%	2,481,990
Total	$5,590,617	30.4%	$5,019,169	27.3%	$7,799,668	42.4%	$18,407,454

Source: Department of Transportation.

Exhibit 13

Section 5311 Rural Transportation Operators
Fiscal Year 2001

Source: Department of Transportation.

Legend:
- Delta Human Resource Agency
- East Tennessee Human Resource Agency
- First Tennessee Human Resource Agency
- Hamilton County Rural Transportation System
- Hancock County Rural Transportation System
- Mid-Cumberland Human Resource Agency
- Northwest Tennessee Human Resource Agency
- South Central Tennessee Development District
- Southeast Tennessee Human Resource Agency
- Southwest Human Resource Agency
- Upper Cumberland Human Resource Agency

The Tennessee Department of Transportation does not require operators to implement and use performance measures. However, such measures could help improve the program by identifying weaknesses and focusing attention on issues such as timeliness (percent of clients who arrive at medical or other appointments on time), reliability of service (percent of clients requesting service who are able to access the service when needed), efficiency (ridership as compared to capacity, cost per client ride), or customer satisfaction.

Although department and human resource agency transportation staff did not indicate serious problems either with service quality or duplication of effort among rural transportation operators, they indicated problems with the availability of transportation. In many instances, vans were full and were unable to take more passengers. A related problem was the unavailability of vans because of long trips involving TennCare and Families First clients, sometimes taking several hundred miles. For example, in some cases TennCare clients needed to be transported from the Tri-Cities area to Memphis in order to see a doctor. Staff of the Northwest Tennessee Economic Development Council (which does not have a formal transportation program but whose clients could be served by Northwest Tennessee HRA's program) mentioned that agency program staff used their own cars to transport clients. This practice, although very helpful to the client being transported, may disrupt service to other clients. Other problems mentioned included difficulty getting reimbursed for services provided to clients of certain managed care organizations, the need to replace vans for safety reasons, and difficulty retaining drivers during a good economy.

Several of the agencies we reviewed (e.g., Upper Cumberland and Mid-Cumberland HRAs) also participate in the federal Job Access program, which focuses on expanding transportation services for Families First recipients and low-income persons, by providing them rides to and from work. The program, established in 1999, is a collaborative effort of the federal government and the Tennessee Departments of Human Services, Transportation, and Labor and Workforce Development. For fiscal year 2001, Tennessee received nearly $2,000,000 in federal funds, as well as additional money specifically earmarked for programs operated by the Memphis Area Transit Authority ($275,000) and the Knoxville-Knox County Community Action Committee ($200,000).

WORKFORCE INVESTMENT PROGRAMS

As a result of the federal Workforce Investment Act of 1998, the state, under the coordination of the Tennessee Department of Labor and Workforce Development, developed its Workforce Investment Programs, which involve the partnering of 12 programs delivered through a system of one-stop career centers. The 12 programs include Title I (formerly the Job Training Partnership Act), Adult Education, Job Services, Veteran's Services, Unemployment Insurance, the Trade Act, Vocational Rehabilitation, Welfare to Work (Families First), Community Services Block Grants, Older American's programs, Post-Secondary Vocational Education, and Housing and Urban Development programs.

According to the department's *Tennessee's Workforce Investment Programs: Technical Assistance for Administrative Entities* (July 2000), the act "provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of the nation's businesses and the needs of job seekers and those who want to further their careers." Title I of the act focuses on the following goals:

- Training and employment programs must be designed and managed at the local level—where the needs of businesses and individuals are best understood.

- Customers must be able to conveniently access the employment, education, training, and information services they need at a single location in their neighborhoods.

- Customers should have choices in deciding the training program that best fits their needs and the organizations that will provide that service. They should have control over their own career development.

- Customers have a right to information about how well training providers succeed in preparing people for jobs. Training providers will provide information about their success rates.

- Businesses will provide information and leadership, and will play an active role in ensuring that the system prepares people for current and future jobs.

According to department staff, employment services are provided by administrative entities in each of the 13 Local Workforce Investment Areas in Tennessee. (See Table 18.) An administrative entity is an agency selected by local elected officials to administer Title I funds. A Local Workforce Investment Board, in partnership with local elected officials, oversees each local system. All 95 counties are served under the program, and no county is served by more than one administrative entity. (There may, however, be other entities providing similar services in a given county.) Of the 13 administrative entities, one is a CAA located in an urban area (not included in the scope of this audit), and three are HRAs (East Tennessee, Southwest, and Upper Cumberland HRAs). There must be at least one career center in each local area, which may be supplemented by networks of affiliated sites.

The administrative entities provide or fund a variety of services for in-school youth, out-of-school youth/dropouts, adults, and dislocated workers. Under the Workforce Investment Act, the eligibility requirements have been relaxed to include all adults who are unemployed or underemployed. Services offered to eligible persons include assessment of skills and needs, job search and placement assistance, part-time work experience, remedial education, and classroom and on-the-job training, as well as assistance with items such as tuition, books, child care, and transportation. Participants are referred to the programs by a variety of sources, including local schools that identify at-risk youth and state agencies such as the Department of Human Services (which refers Families First enrollees).

Table 18
Administrative Entities for the Local Workforce Investment Areas

Administrative Entity	Counties Served	Federal Fiscal Year 2000 Allocation
Alliance for Business and Training, Inc.	Carter, Johnson, Sullivan, Unicoi, Washington	$2,434,507
Columbia State Community College	Giles, Hickman, Lawrence, Lewis, Marshall, Maury, Perry, Wayne	2,752,075
Dyersburg State Community College	Crockett, Dyer, Gibson, Lake, Lauderdale, Obion, Tipton	2,193,230
East Tennessee HRA*	Anderson, Blount, Campbell, Cumberland, Loudon, Monroe, Morgan, Roane, Scott	3,493,339
Greater Memphis Area Work-force Development Agency	Fayette, Shelby	6,366,757
Knoxville-Knox County Community Action Committee	Knox	1,745,745
Motlow State Community College**	Bedford, Coffee, Franklin, Grundy, Lincoln, Moore, Warren	1,456,688
Nashville Career Advancement Center	Davidson, Rutherford, Trousdale, Wilson	3,489,967
Southeast Tennessee Development District	Bledsoe, Bradley, Hamilton, Marion, McMinn, Meigs, Polk, Rhea, Sequatchie	3,321,548
Southwest HRA*	Benton, Carroll, Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Henry, Madison, McNairy, Weakley	4,555,940
Upper Cumberland HRA*	Cannon, Clay, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, VanBuren, White	2,084,678
Walters State Community College	Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Sevier, Union	3,797,488
Workforce Essentials, Inc.	Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Stewart, Sumner, Williamson	1,921,514
	Total	$39,613,476

* Agency is included in the scope of this audit.

** As of July 1, 2001, the Metropolitan Moore County Government replaced Motlow State Community College as the administrative entity for this area.

Workforce Investment Programs are new and do not yet have a well-established track record; however, certain aspects of the program, particularly the focus on needs assessments, performance standards, and case management are important facets in helping to ensure that services are delivered efficiently and effectively and that service providers are held accountable for program results.

Employment Services Provided at One-Stop Centers

All employment services under the Workforce Investment Act are provided at a single location through one-stop career centers set up by administrative entities. Job seekers can obtain information on job training, education, and employment services at a single neighborhood location. According to *Tennessee's Workforce Investment Programs: Technical Assistance for Administrative Entities*, at these centers clients

- receive a preliminary assessment of their skill levels, aptitudes, abilities, and support service needs;

- obtain information on a full array of employment-related services, including information about local education and training service providers;

- receive help filing claims for unemployment insurance and evaluation eligibility for job training and education programs or student financial aid;

- obtain job search and placement assistance, and receive career counseling; and

- access up-to-date labor market information, which identifies job vacancies and skills necessary for jobs in demand, and provides information about local, regional, and national employment trends.

For employers, these centers offer a single point of contact to provide information about current and future skills needed by their workers and to list job openings. In addition, the centers provide employers a single system for finding skilled workers who are job-ready. Under the Workforce Investment Act, the employer is now considered the "customer" of the system.

Requirement That Administrative Entities Meet Performance Standards

In contrast to many programs operated by the CAAs and HRAs, agencies operating Workforce Investment Programs have to adhere to performance standards for these programs based on the department's related five-year strategic plan. The department has developed standard performance measures through interaction with federal and local government officials, and staff of administrative entities. Agency performance during the last year of JTPA, federal fiscal year 1998, was used as a baseline in developing the measures. The measures are divided by types of clients into four categories: adults, dislocated workers, youth ages 19-21, and youth ages 14-18. Measures include the percentage of clients obtaining unsubsidized employment and

retaining those jobs six months after being hired, the percentage of clients who attain an educational goal such as obtaining a degree, and the level of earnings received six months after entering the workforce.

Department staff stated that administrative entities have to meet these standards or else be financially sanctioned. In addition, Tennessee could lose significant federal funds if standards are not met. Agency service providers (i.e., subcontractors providing services) have to meet these standards, or else they could be removed from provider lists. The standards try to focus on measuring whether clients are actually helped by the program (e.g., by obtaining and retaining a job, getting a degree, and improving their earnings) rather than just the number of clients who participate in the program. Developing and implementing performance measures helps agencies assess their (and their subcontractors') success in helping clients and better enables agencies to identify areas or programs that need improvement.

Requirement That Local Boards Submit Needs Assessments to Receive Funding

Local workforce investment boards conduct needs assessments for employment services as part of the local strategic plans they submit to the Department of Labor and Workforce Development. For example, the boards have to identify the needs of the local area regarding current and projected employment opportunities. In addition, boards have to identify the job skills necessary for clients to obtain these opportunities, including projected percentages by industry. Boards also have to provide proof that employment services will complement, not duplicate, services provided by other organizations.

Development of a Computer System to Track Clients

During our audit work, the Department of Labor and Workforce Development was still using the old JTPA computer system to track clients' progress in obtaining employment. The department was in the process of developing a computer system (the Case Management and Activity Tracking [CMAT] System) specially designed to track Workforce Investment Program clients and to interface with all parties involved in Workforce Investment Act activities in Tennessee. According to department staff, the CMAT system became available in all workforce areas as of July 15, 2001, and was fully operational (all screens available for input) on November 1, 2001.

In addition to tracking clients, CMAT will be part of a universal application process allowing clients to apply for all career center programs at one time. Department staff said that CAAs and HRAs could use a "copycat" CMAT to implement their own universal application systems.

Case Management as Part of the Service Delivery Process

According to department and agency staff, case management is part of the service delivery process for Workforce Investment Programs. Case managers may assess clients' needs, provide individual counseling and career planning, help clients develop an individual employment plan, and make referrals to other needed services (e.g., drug and alcohol counseling). The Director of Upper Cumberland HRA's youth and dislocated worker programs stated that participants in both those programs are required to report to a case manager regularly. Either the director or another designated staff person reviews a sample of client files and interviews some clients to ensure that clients are eligible and that services have been delivered appropriately. Case management services are essential in helping clients with serious barriers to self-sufficiency become economically independent.

COMMUNITY CORRECTIONS PROGRAM

The community corrections program was created by the General Assembly in 1985 to provide an alternative to incarceration for nonviolent adult felony offenders. The primary purpose of the program is to relieve prison overcrowding. The offenders are sentenced to the program by Criminal Court judges, based on eligibility guidelines established under *Tennessee Code Annotated*, Section 40-36-106. Offenders are then supervised in intensive probation programs by assigned case officers. Although the program is not mandatory, all but three of Tennessee's 95 counties either operate a community corrections program or participate in an equivalent program run by a human resource agency or private contractor.

Beginning in July 1999, the community corrections program was transferred to the Board of Probation and Parole. Prior to the beginning of fiscal year 2000, the program had been administered by the Department of Correction. The state funds all program operations through a grant dispensed to participating agencies. During fiscal year 1999, the 20 community corrections programs had expenditures of $8,808,592. The six HRAs accounted for nearly $2.8 million of this total (31.7%). In fiscal year 2000, the total budget for these agencies had increased to $8,981,665. However, the HRA portion of that amount decreased slightly to approximately $2.8 million (31.6%). According to data supplied by staff of the Board of Probation and Parole, 5,291 people were enrolled in state-funded community corrections programs in Tennessee during fiscal year 2000. Offenders are also required to pay $45 per month in court costs, fines, and restitution; $30 is forwarded to the state and $15 is retained by the agencies to defray administrative expenses. All organizations providing community corrections services were based in Tennessee as of December 2000.

Grantees and Service Areas

There are six human resource agencies that administer community corrections programs: East Tennessee (Knoxville), First Tennessee (Johnson City), Mid-Cumberland (Nashville), South Central (Fayetteville), Southeast Tennessee (Dunlap), and Upper Cumberland (Cookeville). In all, the human resource agencies operate the program in 16 of the state's 31 judicial districts, which include 58 of Tennessee's 95 counties. The HRAs with the corresponding judicial districts and the counties served within those judicial districts are listed in Table 19:

Table 19
HRAs Administering Community Corrections Programs

Agency	Judicial District	Counties Served
East Tennessee HRA	3rd	Greene, Hamblen, Hancock, Hawkins
(18 counties)	4th	Cocke, Grainger, Jefferson, Sevier
	5th	Blount
	8th	Campbell, Claiborne, Fentress, Scott, Union
	9th	Loudon, Meigs, Morgan, Roane
First Tennessee HRA	1st	Carter, Johnson, Unicoi, Washington
(4 counties)		
Mid-Cumberland HRA	18th	Sumner
(10 counties)	21st	Cheatham, Dickson, Houston, Humphreys, Hickman, Lewis, Perry, Williamson
	23rd	Stewart
South Central HRA	14th	Coffee
(9 counties)	17th	Bedford, Lincoln, Marshall, Moore
	22nd	Giles, Lawrence, Maury, Wayne
Southeast Tennessee HRA	12th	Bledsoe, Franklin, Grundy, Marion, Rhea, Sequatchie
(6 counties)		
Upper Cumberland HRA	13th	Clay, Cumberland, De Kalb, Overton, Pickett, Putnam, White
(11 counties)	15th	Jackson, Smith
	31st	Van Buren, Warren

The remaining three HRAs—Delta (Covington), Northwest (Martin), and Southwest (Henderson)—do not operate any community corrections programs. All community corrections programs in West Tennessee are operated by county governments or by private agencies. There are 14 locally administered programs in the state, operated by county governments or private agencies. There are three agencies providing community corrections services in Shelby County alone. Of these, two agencies—the Cocaine Alcohol Awareness Program, Inc., and Project WIT (Whatever It Takes)—do not submit treatment statistics to the Board of Probation and Parole. Central office staff explained that these agencies are not required to report statistics because of

the limited number of community corrections clients enrolled in their programs. Also, their service areas are limited to Shelby County. The seven privately run programs are listed in Table 20:

Table 20
Privately Run Community Corrections Programs

Agency	Judicial District	Counties Served
Cocaine Alcohol Awareness Program, Inc.	30th	Shelby
Correctional Alternatives Program, Inc.	30th	Shelby
Corrections Management Corporation	25th 28th	Fayette, Hardeman, Lauderdale, McNairy, Tipton Crockett, Gibson, Haywood
John R. Hay House, Inc.	2nd	Sullivan
Project WIT (Whatever It Takes)	30th	Shelby
Southeast Tennessee Community Corrections Program	10th	Bradley, McMinn, Monroe, Polk
Westate Corrections Network	27th 29th	Obion, Weakley Dyer, Lake

Listed in Table 21 are the four county governments and three judicial districts that operate their own community corrections programs.

Areas served by community corrections programs are determined by judicial districts. Therefore, some HRAs may serve counties outside their designated service areas. The following examples illustrate how this requirement affects the management of community corrections programs in the six regions where the program is administered by human resource agencies. There are not, however, any judicial districts in which two HRAs operate in competition with each other.

The East Tennessee HRA, which serves 16 counties in the Knoxville area, also administers the community corrections program in Greene, Hancock, and Hawkins counties. Those counties are, for most other programs, located within the service area of the First Tennessee HRA in Johnson City. However, they are part of the 3rd judicial district, which has contracted with the East Tennessee HRA for community corrections services. Likewise, the East Tennessee HRA also provides a community corrections program for Fentress County (in the 8th judicial district) and Meigs County (in the 9th judicial district). Those counties are otherwise served by the Upper Cumberland HRA in Cookeville and the Southeast Tennessee HRA in Dunlap, respectively.

Table 21
Community Corrections Programs Operated by Local Governments or Judicial Districts

AGENCY	JUDICIAL DISTRICT	COUNTIES SERVED
Davidson County Community Corrections	20th	Metropolitan Nashville-Davidson County
Fifteenth Judicial District Community Corrections		Macon, Smith, Trousdale, Wilson
Hamilton County Community Corrections	11th	Hamilton County
Knox County Sheriff's Department Community Alternatives to Prison	6th	Knox County
Madison County Community Corrections	26th	Chester, Henderson, Madison
Montgomery County-Robertson County Community Corrections and Day Reporting Center	19th	Montgomery, Robertson
Twenty-fourth Judicial District Community Corrections		Benton, Carroll, Decatur, Hardin, Henry

The Southeast Tennessee HRA in Dunlap manages community corrections in Franklin County, which is part of the 12th judicial district but is also situated within the jurisdiction of the South Central HRA in Fayetteville. The Mid-Cumberland HRA in Nashville operates the community corrections program in Hickman, Lewis, and Perry counties because they are part of the 21st judicial district. Those three counties are otherwise part of the area served by the South Central HRA.

In addition, community corrections programs in some counties otherwise served by an HRA are run by private agencies. For example, Sullivan County's program (2nd judicial district) is administered by a private contractor, the John R. Hay House, Inc. Sullivan County is located within the service area of the First Tennessee HRA in Johnson City, which provides community corrections services. And in McMinn and Polk counties (part of the 10th judicial district), the program is operated by Southeast Tennessee Community Corrections instead of the equivalent program managed by the Southeast Tennessee HRA. Southeast Tennessee Community Corrections also provides a program in Monroe County, which is ordinarily part of the East Tennessee HRA. The 15th Judicial District Community Corrections program serves two counties—Trousdale and Wilson—which are normally part of the Mid-Cumberland HRA region. Two other counties within the service area of the Mid-Cumberland HRA (Montgomery and Robertson counties) operate their own program.

Contract Award Process

The community corrections contracts in effect during our fieldwork were negotiated when the Department of Correction was responsible for the program. That set of contracts expired on June 30, 2001. Proposals were sent out by the Board of Probation and Parole in early 2001, and board members voted on which agencies would receive contracts, with the recommendation of board staff. The contracts with all existing community corrections programs were renewed for three years, except for the contract with First Tennessee HRA, which was renewed for only one year. An investigation conducted by the Office of the Comptroller's Division of Municipal Audit found weaknesses related to employee travel in First Tennessee's community corrections programs during the year ended April 30, 2001.

Agencies wishing to challenge the award of a contract or grant by the Board of Probation and Parole are required to file a formal contest with the board's central office in Nashville. According to central office staff, a contract award has never been challenged by any agency. The Department of Finance and Administration would make the final decision on any contract dispute between agencies.

Community corrections programs' compliance with board standards and contract agreements is reviewed during annual program evaluations required by statute. The board contracts with the Department of Finance and Administration's (F&A's) Program Accountability Review section to perform the reviews. According to a June 2001 performance audit of the board (conducted by the Division of State Audit), F&A conducted reviews of the 13 highest risk agencies during fiscal year 2000. The remaining seven programs were not reviewed because the review cost would have exceeded the amount in the contract. According to board management, board staff completed reviews on the remaining agencies during fiscal year 2001 and in the future will complete any reviews not conducted by F&A.

Eligibility and Intake

Each agency is required to follow certain guidelines governing the assessment process for each offender. Prior to sentencing, the agency provides the court a report identifying the offender's specific needs, including information from outside agencies or vendors, or other diagnostic evaluations.

All offenders must have a written behavioral contract. During intake, the community corrections staff is required to discuss and develop with each offender a written behavioral contract based on an assessment of client needs, outlining specific objectives to be achieved by the offender while participating in the program. This report must also include a delineation of the offender's obligations to the victim and the community, as well as a signed statement by the offender to abide by the terms of the contract. The behavioral contract is in effect for the duration of the offender's sentence.

Each agency must submit a proposal to the Board of Probation and Parole each year specifying the number of offenders it is able to manage during the upcoming fiscal year.

Case Management

At a minimum, each offender's compliance with the conditions of the sentence must be reviewed by agency staff on a quarterly basis. Each offender will be reviewed for successful termination after each 12 months of supervision, or at an earlier time to be determined at the discretion of the program manager. The agency is responsible for developing policies and procedures detailing the frequency and manner in which offender drug testing, criminal records checks, and employment verifications are administered for active cases. (Active cases are those in which there has been contact between the offender and the case officer within the last 30 days.) Supervision of the offender should include at a minimum the monitoring of a participant's special conditions and employment status.

Each offender is categorized according to an Offender Profile Index (OPI). The OPI measures certain characteristics of an offender's background, including criminal history, family situation, educational level, social skills, and income. The program accepts felony offenders with an Offender Profile Index of 3.0 or greater. Any score less than 3.0 is recommended for a misdemeanor probation program. Program guidelines state that the maximum average caseload is set at 25 clients for each community corrections officer.

Program policies require that each offender should be categorized by level of supervision. Level One is the strictest level, requiring face-to-face contact with a community correction officer at least twice a week and two home visits every month. Level One is required during the initial 90 days of participation in the program. Level Two requires face-to-face contact with the offender at least once each week with one home visit every 30 days. Level Three allows for personal contact with the participant at least once every 15 days and one home visit every 90 days. An offender will not be placed in Level Three until he or she successfully completes 12 months of supervision. This level is reserved only for cases that cannot be resentenced to a lower level of supervision, such as probation or discharge from the program. Successful terminations are defined as those where the offender completes all the terms of the court agreement and is released from the terms of his or her supervision.

We inspected files at two HRAs and found that all contained adequate evidence of risk level assessments, home visits, probation officer meetings, drug screenings, community service requirements, and referral to other services. There was also documentation of offender violations of the terms of his or her sentence, including revocation of probation; waivers from the terms of the offender's sentence, if applicable; and a record of an offender's successful completion of the program and subsequent release.

HRA staff indicated that many of the offenders enrolled in Community Corrections programs are in need of medical services, substance abuse treatment, or mental health services. Often, offenders lack a basic high school education. The HRAs are authorized to pay for a preliminary psychiatric evaluation, but the offender must pay for such services thereafter. In addition, the HRAs refer offenders in need of such services to substance abuse treatment and GED programs.

Performance Measures

During fiscal year 2000, there were 5,219 offenders enrolled in community corrections programs in Tennessee. According to an auditor review of data submitted by staff of the Board of Probation and Parole, the recidivism rate for the 20 agencies during fiscal year 2000 was 3.92 percent. Board staff defined any rate below 5 percent as acceptable and reported that less than 10 percent of all community corrections participants have been convicted of a new felony within one year of a successful termination. Four of the six human resource agencies achieved recidivism rates below this threshold. Only Mid-Cumberland HRA (5.32%) and Southeast Tennessee HRA (7.69%) exceeded the 5 percent level. Two of the private entities with community corrections contracts—Corrections Management Corporation in Somerville (serving the 25th and 28th judicial districts) and Westate Community Corrections in Dyersburg (serving the 27th and the 29th judicial districts)—registered recidivism rates in excess of the 5 percent target, reporting rates of 5.68 percent and 13.12 percent, respectively. The Madison County Community Corrections Program had a recidivism rate of 5.13 percent.

No penalties have been assessed against any contracting agencies for failing to maintain the required level of successful terminations. However, central office staff believe that the community corrections programs are now serving a more violent group of offenders. In addition, many of the program directors believe they are in no position to refuse to serve clients sentenced to the program by criminal court judges. According to staff, the board's attorneys are currently working on revisions to the contracts so that agencies are held to a higher standard.

The pertinent program standards state that an agency's total caseload shall not exceed a limit of 25 active offenders per case officer, unless the Board of Probation and Parole specifically allows for this ratio to be exceeded. Any offender who has been sentenced to a correctional facility for any reason is no longer counted toward the 25:1 offender-to-case officer ratio. Those offenders who have made bond after violation of program rules are also not included in the ratio. A review of the TOMIS data on caseloads for fiscal year 2000 reveals that the 25:1 ratio was exceeded by 10 of the 18 agencies reporting community corrections statistics to the board. Five of the six HRAs with community corrections contracts exceeded this ratio, as did two of the five privately run agencies required to report data, and three of the seven programs operated by county governments. (According to staff of the East Tennessee HRA, that agency received a waiver from the Board of Probation and Parole to exceed the 25:1 ratio—other agencies may also have received such a waiver.)

The contracted agencies are required to maintain a minimum rate of successful terminations of 60 percent or higher. However, according to TOMIS statistics for FY 2000, only 6 of the 18 agencies reported successful termination rates of at least 60 percent. Among these were South Central, Southeast, and Upper Cumberland HRAs. Three other agencies also reported successful termination rates of 60 percent or greater: the Correctional Alternatives, Inc.; the 24th Judicial District Community Corrections Program; and the John R. Hay House, Inc. Central office staff, as well as community corrections program coordinators in the regions served by a human resource agency, expressed the view that the 60 percent threshold is quite difficult to achieve or maintain because of the types of offenders they are required to supervise. They contended that the community corrections programs were originally intended to provide

supervision for nonviolent offenders. Instead, these program directors raised concerns that Community Corrections programs are increasingly required by the sentencing judges to accept violent offenders.

According to Board of Probation and Parole staff responsible for Community Corrections programs, taxpayers have been spared the expense for the upkeep of nonviolent offenders in prison or jail. They claim that average costs are less than $7 per day for Community Corrections, while incarceration costs may rise to as much as $45 per day. While conceding that only six of the contracted agencies has reported a successful termination rate above the required 60 percent level, board staff reported that one year after a successful termination, less than 10 percent have been convicted of a new felony. Further, researchers at East Tennessee State University found that Community Corrections programs had not only resulted in a substantial cost savings to the state, but had also enabled sentencing judges to utilize sentencing alternatives for all but the most violent offenders.

MISDEMEANOR PROBATION PROGRAMS

Misdemeanor probation programs provide supervision as an alternative to incarceration for those convicted of a misdemeanor offense in general sessions courts throughout the state. Usually, only those offenders sentenced to less than one year in jail are eligible for the program. The intent of the program is to provide judges with alternatives to sentencing offenders to a county correctional facility. An offender is assigned to a misdemeanor probation program by the sentencing judge, who has sole authority to assign offenders to a particular program, which may be operated by a public or private agency.

The programs receive no state or federal funding. Offenders enrolled in the program pay a supervision fee (which provides the revenues to operate the program) and meet with their probation officer weekly or monthly based on the intake assessment report; they must also pay for drug and alcohol treatment if such rehabilitation is a part of their sentence. All participants are required to perform some form of community service. In many instances, they are required to find or maintain employment, support their families, and make restitution to those they may have injured in any way. Judges sometimes require the attainment of a graduate equivalency degree (GED) or attendance at DUI driving school as a requirement for the successful completion of a probationer's sentence.

Grantees and Service Areas

Six of the human resource agencies included in this audit administered misdemeanor probation programs during 2000: East Tennessee (Knoxville), First Tennessee (Johnson City), Mid-Cumberland (Nashville), South Central (Fayetteville), Southeast Tennessee (Dunlap), and Upper Cumberland (Cookeville). Private, nonprofit agencies or for-profit organizations provide

services in some counties, while sheriffs' departments operate the programs in other counties. Unlike the community corrections program, misdemeanor probation programs are not administered according to the judicial district in which the General Sessions Courts are situated. Instead, the courts award contracts on a county-by-county basis. Hence, some HRA misdemeanor probation programs serve counties that are not within their service area. The table below lists the human resource agencies with misdemeanor probation contracts in Tennessee during 2000.

Agency	Counties Served
East Tennessee HRA	Campbell, Claiborne, Cocke, Grainger, Greene (Criminal Court only), Hamblen, Hancock, Hawkins, Jefferson, Loudon, Monroe, Morgan, Roane, Sevier, and Union
First Tennessee HRA	Greene (General Session Court only), Johnson, Unicoi, and Washington
Mid-Cumberland HRA	Houston, Stewart, Trousdale, Williamson, and White
South Central HRA	Coffee, Giles, and Maury
Southeast Tennessee HRA	Bledsoe, Franklin, Grundy, Marion, Rhea, and Sequatchie
Upper Cumberland HRA	Clay, DeKalb, Jackson, Overton, and Pickett

HRA staff responsible for administering the misdemeanor probation programs in their respective regions reported that, in some cases, they have faced competition from privately owned agencies. They expressed concern that such entities are primarily concerned with making a profit, rather than serving the best needs of the court, the offender, or those injured by the offender's actions. According to staff, the HRAs, in contrast, use any surplus funds generated by this program to help fund other community service programs.

Case Management

Participants in a misdemeanor probation program are typically assigned to a counselor/probation officer—the extent of that staff's interaction with the client varies as does the frequency of required visits. Southeast Tennessee HRA program staff simply monitor probationers on a monthly basis to ensure the payment of court costs, restitution, and fines. Program staff at Mid-Cumberland and South Central HRAs stated that they also work with private providers to help offenders obtain access to drug and alcohol rehabilitation programs, education and/or job training, and counseling services. Program staff at South Central and East Tennessee HRAs conduct drug and alcohol screening to ensure that probationers are complying with the terms of their supervision.

Performance Measures

Misdemeanor probation programs have several goals—to keep clients out of jail, to provide a means by which offenders can make restitution to the community and to the individuals damaged by the offender's actions, and to help clients become self-sufficient. However, there are no established outcome measures by which success is determined across all

HRAs. According to program staff at East Tennessee HRA, their chief method of assessing performance has been to review the percentage of fines collected by each supervision counselor. Staff at Upper Cumberland HRA stated that they keep track of whether clients have been arrested and attempt to gauge whether clients have met their treatment goals. None of the HRAs with misdemeanor probation contracts assessed the long-term effectiveness of their misdemeanor probation programs, e.g., by attempting to determine if any of their former clients stayed out of jail beyond the time covered by their sentences.

FINDINGS

1. Five human resource agencies have board structures that are not in compliance with Community Services Block Grant requirements

Finding

As of December 2000, there were five Community Services Block Grant (CSBG) recipient agencies that were not in compliance with the tripartite board structure required by the federal Community Services Block Grant legislation. These five agencies are the Delta HRA, the South Central HRA, the Southeast Tennessee HRA, the Southwest Tennessee HRA, and the Upper Cumberland HRA. Four of the five agencies (Delta HRA, South Central HRA, Southeast Tennessee HRA, and Southwest HRA) were deemed eligible CSBG entities under the provisions of the Community Services Block Grant Act in the early 1980s. (Because these agencies were providing community services at that time, they were "grandfathered in" as eligible CSBG entities.) The Governor named the fifth CSBG-eligible HRA, the Upper Cumberland HRA, as an eligible entity effective July 1, 2000. These five agencies have been operating without the required tripartite board structure since they were deemed eligible entities.

Section 676B of the Community Services Block Grant Legislation establishes the board membership guidelines for any public organization receiving Community Services Block Grant funding. According to the legislation, any public nonprofit organization that receives CSBG funding is to ensure that no less than one-third of its board members are representatives of the low-income individuals served who reside in the area and are able to actively participate in the development, planning, implementation, and evaluation of agency programs. The five human resource agencies that receive CSBG funding do not currently have this type of board structure in place. The board structures of these agencies are, however, in compliance with Section 13-26-103, *Tennessee Code Annotated.*

Section 13-26-103, *Tennessee Code Annotated,* requires that the governing boards of the state's human resource agencies be made up of all county executives within the area served, the mayors of all municipalities, the chief executive officer of any metropolitan government within the area served, one representative from a local agency in each county (appointed by the county executive), and one state senator and one representative whose districts lie within the human resource agency's jurisdiction. Section 13-26-103 also grants the governing board of each human resource agency the authority to appoint a policy council to act on its behalf. The legislation stipulates that the members of the policy council are to be broadly based and equitably distributed between human resource service providers and consumers. The statute does not, however, require that one-third of the policy council members represent the low-income community served and does not require that those low-income representatives actively participate in the development, planning, implementation, and evaluation of agency programs.

According to a DHS official, it is unlikely that state law will be changed to modify the current HRA board structure; rather, those HRAs that receive CSBG funding will have to modify their bylaws to come into compliance with this CSBG requirement. Department staff believe that the current HRA board structure is fluid enough to meet these qualifications temporarily but recognize that all of the CSBG-designated HRAs need to modify their board structures to more fully comply with the CSBG legislation. As of August 2001, DHS had received a technical assistance grant from the Office of Community Services to hire a consultant to assist the state in developing an alternative mechanism for agency board composition that would also meet the goals of the CSBG program. According to the Director of Community Services, this alternative mechanism will be ready for discussion with the agencies by December 1, 2001.

Recommendation

Considering that five of the state's nine human resource agencies receive Community Services Block Grant funding, the General Assembly may wish to consider adjusting the board membership requirements of the human resource agencies to bring them into compliance with the board membership requirements of the Community Services Block Grant. For the four HRAs not receiving CSBG funding, such an adjustment would recognize the need for client input and participation in agency decision-making.

Management's Comments

Tennessee Association of Human Resource Agencies (TAHRA)

The HRAs concur with this recommendation and will work with the Tennessee Department of Human Services to adjust the board membership requirements of the human resource agencies to bring them into compliance with the board membership requirements of the Community Services Block Grant.

Tennessee Association of Community Action (TACA)

TACA concurs with the recommendation.

Tennessee Department of Human Services

The department has worked with the Tennessee Association of Human Resource Agencies over the last several months to correct this situation. The department applied for and received special funding from the Office of Community Services to address this issue. The following activities have occurred to date:

- Met with HRA Association to discuss the issue; individual discussions have been held with HRA executive directors;

- Written requests have been made to the five affected HRAs to submit current bylaws and Board of Directors lists to DHS for review;

- Extensive conversations have been held with several national consultants to assist with resolving the issue;

- Consultant visit was made by Mid-Iowa Community Action, Inc., to review the issue;

- Discussed options to resolve the issue with DHS staff attorney;

- Discussed issue with CSBG Directors from other states; and

- Obtained a commitment from the HRA Association to modify bylaws and board make-up to comply with CSBG tripartite requirements.

The department and the consultant feel that an adjustment to the board requirements and bylaws can be accomplished within the existing HRA Act. On October 10, 2001, during a meeting with the HRA Association, the department agreed to provide the HRA Association by December 1, 2001, with recommended draft bylaws language and suggestions for an open process to select board members to fill positions that represent members of the low-income communities served by the agency.

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2. Client monitoring systems used by the HRAs and CAAs are extremely fragmented

Finding

Analysis of client monitoring systems used by the HRAs and CAAs revealed that manual filing systems, as well as automated data systems, are extremely fragmented. This lack of integration limits the agencies' abilities to track clients across programs and to provide intensive case management services. In addition, client-monitoring systems lack the ability to capture instances of dual participation. Because agencies do not reconcile client information from counties in their service areas, they cannot determine if a client or household participates in the same program in more than one county.

Manual/Paper Filing Systems

All agencies use manual/paper filing systems to record client information. Whether maintained in the county office/neighborhood service center or in the central office, client files are categorized by program. Furthermore, components of a program are filed separately. For example, if a person received Low-Income Home Energy Assistance Program (LIHEAP)

summer cooling assistance and LIHEAP regular heating assistance, the files would be separate. No agency had a central file that contained information on all the services that a client received.

When reviewing client files, we could not determine, in most cases, if a client received service from more than one program. Evidence of referrals to and from other programs and other agencies was weak. Furthermore, most client files did not contain information on services received in previous years. Evidence that clients are referred to other programs and/or are repeat customers was anecdotal.

If case management services are provided at all, they are very limited. With the exception of a few programs, such as Community Services Block Grant, Homemaker, Elderly Care Management, and Head Start, staff do not set goals for clients. Agencies report the number of clients served per program to the appropriate funding source. However, agencies do not integrate or reconcile reports at the county or agency level to determine if a client receives service from more than one program or participates in programs in more than one county.

The fragmentation of client monitoring and tracking systems that we found as a result of file reviews and interviews with HRA and CAA staff, limits the agencies' abilities to track clients across programs and to provide intensive case management services. Since agencies do not reconcile county reports at the agency level, they cannot monitor for dual participation.

The HRAs and CAAs need to establish client tracking systems in which client information is shared among programs (unless specifically prohibited by the funding source) to ensure clients receive all necessary services. Agencies need to reconcile reports periodically to assess instances of dual participation.

Automated Data Systems

The technological capacities of the HRAs and CAAs vary considerably from agency to agency. For example, one agency may only have computers in the central office while another has computers in both the central office and field offices and is establishing networks to link its systems. Within each agency, types of software and databases differ from program to program.

Agencies that use automated data systems to record client data only capture the same information as the paper files. Client information is used in the same manner as with the paper filing systems (described above). The agencies are not fully using the capabilities of their systems to integrate and share information. Several program and executive directors mentioned a desire to have a centralized database to track clients across all programs within their agency; however, at the time of our agency site visits, no agency had implemented such a system.

Although the nature and mission of HRAs and CAAs are complex, integrated data systems are feasible. CAAs in at least four states are discovering ways to share and compile data from numerous funding sources. Their experiences can be a guide for the HRAs and CAAs in Tennessee.

<u>Technology Projects in Other States</u>

Recognizing that technology is becoming increasingly important for community action agencies, the U.S. Department of Health and Human Services' Office of Community Services (OCS) funded four grants to three community action associations and one state CSBG office to help increase appropriate and efficient use of technology state- and nationwide. In 1998, the community action associations in Connecticut, Massachusetts, and Missouri and the Minnesota Department of Families and Learning implemented technology projects using these funds.

<u>Connecticut</u>. The Connecticut Association for Community Action (CAFCA) used the OCS grant money and state and local funds to improve its own technological infrastructure as well as the infrastructure of its member CAAs. The goals were to improve access to information, increase capacity to use information technology, and improve implementation of a results-oriented approach utilizing information technology. As the CAAs move toward using an outcome approach, CAFCA believes the need to increase the sophistication of agency tools for collecting, reporting, and responding to data is important. CAAs using traditional methods of information management are responding too slowly to a constantly changing environment. Improved data collection will enhance the reporting capabilities of CAAs and enable ongoing program and caseworker evaluation to be focused on quality assurance.

After surveying each of its member CAAs, CAFCA came to the following conclusions:

- Technical capacity varies from agency to agency, mostly depending on size. Agencies with larger operating budgets have been able to invest more funds in technology.

- Most agencies rated themselves at or below basic capacity with regard to their technical infrastructure, their use of technology, and their application of technology to Results Oriented Management and Accountability (ROMA).

- There is a gap between what agencies know can be done and the reality of what they can do. Costs of hardware and software and staff knowledge and attitude are obstacles agencies must overcome to advance their technological capacities.

CAFCA worked with the Connecticut CAAs to develop common measures for meeting federal goals, then established outcomes, measures, and strategies for improving technological capacity. (See Table 22.)

According to the CAFCA Executive Director, the technology project was very successful. The Connecticut CAAs are using products that can convert data from numerous funding sources into the same format for purposes of analysis and reporting.

Table 22
Connecticut Association for Community Action (CAFCA) Outcomes and Measures

Outcome	Measure
CAFCA and member CAAs will improve the technical infrastructure needed to access information technology.	• All CAAs will achieve at minimum a basic capacity on the Technology Infrastructure scale.
The capacity of CAFCA and member CAAs to use information technology will be increased.	• 50% of agencies currently at an elementary capacity will move up to an intermediate level. All remaining agencies will achieve at least the basic level. • CAFCA will achieve at least an intermediate ranking on the Use of Technology scale.
CAFCA and member CAAs will improve their implementation of ROMA, using information technology.	• At least one CAA will have developed and be using customized computer/Internet-based ROMA outcome tools for a selected agency goal and measures. The tools and development process will serve as a model for the development of additional tools for additional goals, and for other agencies within or outside the state. • A least 50% of the CAAs will have selected software to assist them in reporting outcomes under ROMA and have a plan to begin using it for some programs at their agency.

Massachusetts. In a similar project, the Massachusetts Community Action Program Directors' Association (MASSCAP) studied the technological capacities and needs of the community action agencies to help agencies with client tracking, outcome reporting, access to the Internet, and meeting software needs. MASSCAP asked the Massachusetts CAAs to identify their greatest issues, needs, and concerns regarding information technology. The following were cited as the most common concerns/issues:

- difficulties associated with client data collection and reporting;
- lack of staff information technology skills, training, and support; and
- lack of resources.

The problems associated with collecting and reporting client data stem from the numerous funding sources which burden agencies with different reporting requirements. MASSCAP found that computer technology has become widespread at the Massachusetts CAAs in recent years, but the process of development has been uneven within each agency and has been driven by the needs and requirements of specific programs and their federal and state funding sources. CAAs have reacted to these data demands program by program and have developed information technology infrastructures that have focused on individual program needs rather than on agency-wide needs.

Furthermore, definitions of categories/demographic data and software file formats vary among funding sources, making it difficult to convert data for one funding source to fulfill the requirements of another. As a result, staff sometimes enter data twice for the same client during the same encounter because two different funding sources for that program require that

Findings   140

information be submitted on their own software and in their own categories. At the same time, ROMA—with its focus on reporting outcomes—requires agencies to view clients in a more comprehensive way, as individuals and families have a combination of needs that are not met by a single program or service. In response, agencies are adopting case management approaches to service delivery and are developing centralized, agency-wide client database systems. However, these agencies are encountering problems such as gaps, inconsistencies, and incompatibilities as they attempt to integrate systems.

MASSCAP also discovered that most Massachusetts CAA staff members have inadequate computer knowledge and skills. While some staff know certain tasks and functions, the scope of their knowledge is very narrow. Lack of basic computer skills can result in inaccurate reporting. Fear of technology, lack of confidence, resistance to change, and lack of motivation are some barriers to learning and upgrading information technology skills. Almost all CAAs mentioned that they lack the resources to provide training and education. Most agencies do not have a staff member who is solely devoted to information technology. Often, staff members with advanced information technology skills spend time trouble-shooting problems in addition to their other responsibilities within the agency. Because technology is always changing, staff training and continuing education in information technology systems are ongoing needs.

According to MASSCAP, the Massachusetts CAAs have invested significant sums of money in computer systems. Still, many worry they lack the resources to keep abreast of the rapid changes in the industry. MASSCAP and the Massachusetts CAAs contend that the current level of funding from public sector funding sources is not sufficient in addressing information technology needs, such as upgrading staff skills, adding information technology staff, keeping up with changes in technology, and purchasing hardware on a large scale when existing hardware becomes inadequate or obsolete.

In response to these issues and concerns, MASSCAP developed recommendations and suggestions for addressing them. The recommendations and suggestions, which are listed in Table 23, include strategies for both MASSCAP and the individual Massachusetts CAAs.

Missouri. The Missouri Association for Community Action (MACA) received an OCS technology grant to improve the ability of Missouri's CAAs to communicate electronically within their agencies, between agencies, and with the state association office. To accomplish this goal, MACA surveyed its member agencies and employed a consultant to help compile information and provide a plan of technology needs. MACA found that some agencies needed more equipment than others. After providing the needed technology, MACA saw an increase in e-mail communication and electronic networking.

Minnesota. The project of the Minnesota Department of Children, Families, and Learning (DCFL) differed from the other three projects. DCFL created and published the *Information Management Planning Guide – A Practical Process to Plan Strategically for the Use of Information and Technology within a Mission-Driven Organization*. The purpose was to promote information management planning within local community organizations by developing a comprehensive guide. DCFL believes the guide will help agencies improve the reliability of

information used for planning and reporting to the public, including accurate reflections of activities and outcomes, and support the quality of products and services delivered to communities.

Table 23
Recommendations Developed by Massachusetts Community Action Program Directors'
Association (MASSCAP)

Issue	MASSCAP	Individual Massachusetts CAAs
Data Collection & Reporting	• Contact other human service providers which have the same funding sources as the CAAs and discuss their information technology issues. • Work with funding sources on developing standards for demographic data. • Collaborate with state officials and legislators to coordinate programs and agencies.	• Work with MASSCAP and other CAAs to find a standard for client demographic data. • Develop a standard client intake form for CSBG annual reporting that includes the same demographic categories and is used consistently. • Develop or at least consider central client databases.
Staff Training, Education, and Support	• Facilitate joint training programs involving staff from all the state's CAAs or from regional clusters of CAAs. • Explore on a statewide level how the state's public higher education system might be used as a free or inexpensive training resource. • Hold workshops on information technology education, training, and ongoing support using models from successful education and training programs. • Create statewide user groups of CAA staff that focus on different information technology issues.	• Develop their own ongoing programs based upon the needs of staff (as determined by surveys). • Encourage staff to upgrade their information technology skills and make time for them to use computers. • Identify staff with more advanced information technology skills and use them as a resource. • Investigate low-cost or free computer training/educational opportunities at public institutions. • Collaborate with other human services groups in their areas for information technology training.
Resources	• Advocate for/seek more funding sources for the CAAs. • Bring CAAs together to share ideas about potential funding sources and to develop creative solutions.	• Explore additional funding from public and private sources. • Take advantages of discounts. • Look within their organization for an information technology person, or share staff with another agency.

Recommendation

The HRAs and CAAs should develop client-monitoring systems that track clients across all programs. In addition, the agencies should reconcile client information from the various counties to determine if clients or households participate in programs in more than one county.

The HRAs and CAAs should work together through their state associations to explore strategies for improving their technical capacities. They should consult the Office of Community Services and other states that have recently implemented technology projects to identify techniques and methodologies that could be used in Tennessee.

Management's Comments

Tennessee Association of Human Resource Agencies (TAHRA)

The HRAs concur that a client monitoring system that tracks clients across all programs and service areas should be explored. However, financial resources would be required to implement such a system.

Tennessee Association of Community Action (TACA)

TACA will explore the feasibility of expanding the current CSBG Client Information System to include at least basic tracking of the services the client has received from each agency. TACA will collaborate with the TAHRA to combine its resources for technology assessment and training.

Tennessee Department of Human Services

All of the CSBG agencies have been provided CSBG client tracking software that can be used to collect information on client program participation. This software also collects information on other services the client is receiving from the agency. The software may not have been fully installed or operational at the time of the auditors' visits to some of these agencies.

A client monitoring system that tracks clients across all programs can better meet the needs of clients. However, with the high cost of technology, different regulations imposed on the various programs, and confidentiality issues for some programs make it more difficult and costly to implement a client monitoring system for all programs.

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3. HRAs and CAAs do not have agency-wide strategic plans

Finding

The HRAs and CAAs in Tennessee offer numerous programs, ranging from energy assistance to community corrections. While each program serves the mission of an agency, they are operated independently of one another. The HRAs and CAAs do not have agency-wide strategic plans that incorporate and integrate programs for the benefit of the client and the community. Without a strategic plan, agencies may fail to identify gaps in service delivery and/or areas for improvement.

Strategic planning, as defined by the Tennessee Center for Effective Government, is

> the continuous process of systematically evaluating the nature of business, defining its long-term goals, identifying quantifiable objectives, developing strategies to reach these objectives, and allocating resources to carry out the strategies.

Through strategic planning, agencies can establish objective performance measures, which help them recognize achievement and success in their outcomes. In addition, agencies can better identify areas where duplication of effort can be eliminated, data can be shared, and services can be better delivered through improved coordination.

The closest that agencies come to strategic planning is their annual Community Action Plan. (The four HRAs that do not receive CSBG funds do not develop Community Action Plans.) As a condition of CSBG funding each year, the Tennessee Department of Human Services (DHS) requires each recipient to prepare and submit a Community Action Plan. The plan should be based on the Results-Oriented Planning process and include:

- a community needs assessment, including food needs;

- a description of the service delivery systems targeted to low-income families and individuals in the agency service area;

- a description of how linkages will be developed to fill identified gaps in services through information, referral, case management, and follow-up consultations; and

- a description of the goals and outcome measures to be used to determine success in promoting self-sufficiency and family stability.

While the Community Action Plan lists all programs operated by an agency, the components described above apply to CSBG programs, which are only a few of the many programs offered by the agencies. (See Appendix B for a list of all programs offered by each agency.)

The agencies also compile annual reports, which describe each program and the accomplishments made (i.e., number of people served) during the year. An agency's mission statement is also included in the report. However, neither the Community Action Plan nor the annual reports contain performance goals and strategies for accomplishing those goals through the integration of all agency programs.

We believe strategic planning will improve the overall operation of an agency, bridge programs with similar objectives, and enhance case management activities. For example, several programs, such as the Low-Income Home Energy Assistance Program, Weatherization Assistance Program, Community Services Block Grant energy assistance, and the Emergency Food and Shelter program, serve to reduce the energy burden of low-income clients. During the course of our fieldwork, we determined these programs are poorly coordinated within the

agencies. As a result, clients may not benefit from all the services that are available to meet their needs.

Strategic planning is not a new concept. Executive branch agencies in Tennessee and in the federal government already develop and implement strategic plans. The HRAs and CAAs can look to these entities for guidance.

Strategic Planning in the Federal Government

In 1993, Congress passed the Government Performance and Results Act (GPRA). The intent of GPRA was to improve federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction. Agencies were to submit strategic plans, covering at least five years, to the Director of the Office of Management and Budget and to Congress by September 30, 1997. Plans were to contain

1. a comprehensive mission statement covering the major functions and operations of the agency;

2. general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the agency;

3. a description of how goals and objectives are to be achieved, including a description of the operational processes, skills and technology, and the human, capital, information, and other resources required to meet those goals and objectives;

4. a description of how performance goals included in the plan and required by federal law are related to the general goals and objectives of the strategic plan;

5. an identification of key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and

6. a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations.

Agencies were to consult Congress, as well as solicit and consider the views and suggestions of persons who may be potentially affected or are interested in the plan.

Congress later amended GPRA, requiring agencies to prepare annual performance plans beginning with fiscal year 1999. Performance plans should be submitted to the President and to Congress on March 31 of each year. In their performance plans, agencies must

1. establish performance goals to define the level of performance to be achieved by a program activity;

2. express such goals in an objective, quantifiable, and measurable form unless authorized to be in an alternative form;

3. briefly describe the operational process, skills and technology, and the human, capital, information, or other resources required to meet the performance goals;

4. establish performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity;

5. provide a basis for comparing actual program results with the established performance goals; and

6. describe the means to be used to verify and validate measured values.

In developing their plan, agencies may aggregate, disaggregate, or consolidate program activities as long as the action does not minimize the significance of any program activity.

In addition, agencies must report the actual results from preceding fiscal years and evaluate the current performance plan in relation to previous plans. Where performance goals have not been met, agencies must explain and describe reasons why and develop appropriate recommendations. The General Accounting Office is responsible for ensuring the plans comply with federal law.

Since many of the programs operated by the HRAs and CAAs are funded by the US. Department of Health and Human Services' Administration for Children and Families (ACF), we reviewed its FY 2002 Performance Plan. A brief summary of the plan is presented below. In the performance plan, ACF incorporated several programs into a single goal, as Table 24 indicates.

Strategic Planning in Tennessee

In August of 1997, the Governor's senior staff developed a draft strategic plan for the executive branch that included vision, mission, and statement of values, goals, objectives, and strategies. In the end, 22 executive branch agencies were charged with developing departmental strategic business plans that reflect components of the executive branch plan. The Tennessee Center for Effective Government assists agencies in defining and quantifying performance measures, establishing methods for identifying and implementing interdepartmental strategies, and sharing strategic planning "best practices" from inside and outside the state.

Table 24
Summary of FY 2002 Annual Performance Plan
Administration for Children and Families

Strategic Goal 1: Increase Economic Independence and Productivity for Families	
Strategy	**Program**
1. Increase employment.	• Temporary Assistance for Needy Families • Developmental Disabilities: General • Development Disabilities: Employment • Refugee Resettlement • Social Services Block Grant
2. Increase independent living.	• Developmental Disabilities: Housing • Assets for Independence
3. Increase parental responsibility.	• Child Support enforcement
4. Increase affordable child care.	• Child Care: Affordability
Strategic Goal 2: Improve Healthy Development, Safety, and Well-Being of Children and Youth	
Strategy	**Program**
5. Increase the quality of child care to promote childhood development.	• Child Care: Quality • Head Start
6. Improve the health status of children.	• Head Start: Health Status
7. Increase safety, permanency, and well-being of children and youth.	• Child Welfare • Developmental Disabilities: Education • Developmental Disabilities: Health • Youth Programs
Strategic Goal 3: Increase the Health and Safety of Communities and Tribes	
Strategy	**Program**
8. Build healthy, safe, and supportive communities and tribes.	• Community Services Block Grant • Family Violence Prevention Program • Low-Income Home Energy Assistance • Native Americans Programs
Strategic Goal 4: Build a Results-Oriented Organization	
Strategy	**Program**
9. Develop and retain a highly skilled, strongly motivated staff.	
10. Improve automated data and management systems.	

In its efforts to assist Executive Branch agencies, the Center created a reference guide, *Strategic Business Planning, A Guide for Executive Branch Agencies*. According to the guide, there are four fundamental questions of strategic business planning for agencies to answer. Table 25 lists each question and provides suggestions on how agencies should answer them.

Table 25
The Four Planning Questions

Question	Agency Activities
1. Where are we now?	• Describe itself and current organizational structure. • Conduct internal assessment of its strengths and weaknesses. • Identify principal opportunities and threats. • State its mission, core functions, and mandates.
2. Where do we want to be?	• Articulate agency's vision of the future, principles of operation, and major goals and objectives.
3. How do we get there?	• Identify chosen strategies and priorities for achieving goals and objectives. • Summarize information about necessary financial resources and how to secure them.
4. How do we measure our progress?	• Measure various aspects of performance. • Develop a system for monitoring and managing implementation of the strategic plan.

According to the Center for Effective Government, features of a successful strategic business plan include

- a focus on customer satisfaction with services and products;

- clear, long-term, challenging goals that are realistic and achievable;

- SMART objectives (**S**pecific, **M**easurable, **A**ggressive but attainable, **R**esults-oriented, and **T**ime-bound);

- participation from all levels of the organization;

- clear definitions of responsibilities and timetables; and

- accountability for results.

Information Planning

As discussed in the section on client monitoring and tracking, information management is becoming more important in the nonprofit arena, especially for client monitoring and tracking and reporting purposes. Therefore, agency-wide strategic plans need to incorporate information management. The *Information Management Planning Guide* developed by the Minnesota Department of Children, Families, and Learning provides a recipe for community action agencies to create an agency-wide comprehensive information management plan. See page 141 for more information.

Recommendation

Each HRA and CAA should develop agency-wide strategic plans that integrate all agency programs and incorporate goals and objectives related to the development of a comprehensive information management system. The HRAs and CAAs should work together, through their state associations, to share best practices.

Management's Comments

Tennessee Association of Human Resource Agencies (TAHRA)

We concur and the HRAs will work with the CAAs to share best practices.

Tennessee Association of Community Action (TACA)

TACA will procure required trainers and materials to ensure each agency has the proper tools necessary to enter into the strategic planning process. TACA will collaborate with TAHRA to aggregate and share best practices.

Tennessee Department of Human Services

Agency-wide strategic planning can lead to more comprehensive and integrated service delivery systems, responsive to changing community needs that reflect regional influences and conditions.

4. Two agencies did not have updated cost allocation plans

Finding

As part of our on-site review of each agency's operations, we reviewed the agencies' administrative cost allocation plans and their adherence to those plans. Department of Finance and Administration Policy 03, which establishes uniform reporting requirements for subrecipients of federal and state grant monies, defines a cost allocation plan as "a means of distributing to various programs, costs which benefit more than one program and are not directly assigned." Overall, our reviews indicated that the agencies had appropriately submitted their plans and allocated their administrative costs as agreed upon with their primary grantor agency. There appears to be no requirement that the plans be updated annually, unless the allocation methods approved become outdated as a result of organizational or other changes. In such cases, it is the agency's responsibility to submit for approval an amended allocation plan that accurately reflects the agency's current allocation method. In two cases, however, we found that agencies' (Mid-East CAA's and Anderson County CAC's) cost allocation plans did not appear to have been updated for years (since the mid 1980s) even though their allocation methods had changed. For Anderson County, the most recent evidence of approval from their primary grantor agency was a letter dated November 1989, which referenced a plan approved effective November 1984. For Mid-East, the current plan contains fiscal year 1986 budget information, and the most recent evidence of approvals from their grantor agency are two letters dated July 1992 and January 1993.

Recommendation

Mid-East CAA and Anderson County CAC should revise their cost allocation plans and submit them for approval to the designated grantor agency.

Management's Comments

Tennessee Association of Human Resource Agencies (TAHRA)

We concur with the recommendation.

Tennessee Association of Community Action (TACA)

TACA concurs with the recommendation.

Tennessee Department of Human Services

The cost allocation plans need to be updated when there is a change in the organizational structure of an agency or any other changes such as current allocation methods. The actual allocation of costs should be consistent with the allocation plan currently used by an agency.

SUMMARY OF OTHER CONCLUSIONS, WEAKNESSES, AND AREAS OF CONCERN
(Discussed in more detail on referenced pages.)

Overall, based on our site visits, interviews with staff, and reviews of agency files and other information, the service delivery system appeared to be working to provide services needed by citizens, particularly the poor, elderly, and disabled. Agency staff were appropriately focused on delivering needed services and on meeting clients' needs, particularly short-term needs. With very limited resources in some cases, these agencies clearly provide a vital service to their communities. There are, however, areas that need to be addressed to improve the efficiency and effectiveness of the service delivery system. Summarized below are our major conclusions concerning duplication of services, outcome measures, and the service delivery model components, as well as other weaknesses and areas of concern we identified.

Duplication of Services

- Our review of the HRAs and CAAs indicated that direct duplication of services was rare; in most cases, an HRA and a CAA do not offer the same program in the same county. The greatest potential for duplication of services appears to be in situations where multiple entities of varying types are providing similar services (e.g., emergency services such as food, utility and rental assistance). It is such situations that could benefit the most from cooperation and coordination among agencies, including the sharing of information and a county-wide or region-wide planning process. Although there were exceptions, it seemed (based on interviews with staff and file reviews) that coordination and cooperation, if they existed, were not always formalized and that agencies were more willing to coordinate and cooperate with service providers such as churches or the Salvation Army that the agencies did not consider to be direct competitors (such as the CAA or HRA that shares all or part of the service area). (See pages 22-23.)

- There is substantial overlap in the service areas of human resource and community action agencies—49 counties are covered by both types of agencies. In some areas of the state (e.g., Upper East and Northwest), the HRAs and CAAs that share a service area appear to have cooperated to some extent in that each focuses on certain program areas and competition is minimized. In other areas, particularly Middle and East Tennessee, there appears to be more competition for programs, with sometimes divisive results (for example, the competition for Caney Fork's CSBG program and for the Child Care Broker Program in Middle Tennessee— see pages 11-12 and 16-22).

- As expected, the larger agencies (which for the most part operate more programs, serve more counties, and have more staff and more office space) typically have higher administrative costs; these costs, however, usually account for a smaller percentage of the agency's total expenditures. Agency administrative costs as a percentage of total expenditures ranged from

4 percent to 14 percent; 13 of the agencies had percentages of 5.9 or less. The three agencies with the highest percentages—from nearly 11 to 14.1 percent—serve only one county, had total expenditures of less than $1.1 million, and are located in East Tennessee. In comparison to most of the other HRAs and CAAs, these three agencies have low administrative costs (less than $130,000); however, because of their low total expenditures, a much greater portion of those expenditures must be used for administration, rather than for programs. (See pages 24-25.)

- The decision to decrease overlap in service areas by combining agencies, terminating agencies, or withdrawing state funding is a political decision that needs to be made with input from both state and local leaders and officials, as well as clients, on a case-by-case basis. Service delivery in a particular area may be strengthened by having both a CAA and an HRA; in other areas, service delivery might be improved and administrative costs decreased by, for example, combining the two entities, as was done in the 1980s in the southern part of the state. Certainly, small agencies which serve few counties, operate fewer programs, and have relatively high administrative costs are at a disadvantage in competing with larger, better funded agencies. The loss of one major program or funding source could result in serious financial difficulties for a small agency, as happened with the Caney Fork Development Corporation. Some staff we interviewed at the smaller agencies expressed the belief that larger agencies with many counties in their service area did not have as much personal knowledge of the needs of the county and would not provide the same level of service as a smaller agency would. Conversely, the larger agencies may have more resources to hire staff and operate expanded programs that provide better opportunities for clients to improve their lives. (See pages 27-28.)

Outcome Measures

- In order to identify areas of strength and weakness and take steps to improve performance, agencies need information on program outcomes, i.e., how effective their programs are in helping clients achieve certain goals and thereby improve their lives. Such information is also needed by state and federal agencies (as well as other funding entities) so that they can make the best possible decisions concerning allocation of scarce resources and the awarding of grants and contracts. When we attempted to evaluate the outcomes achieved by the human resource and community action agencies, however, we found that the information necessary for such an evaluation did not, for the most part, exist. Some programs have implemented or are in the process of developing outcome measurement systems; however, during our audit fieldwork, outcome data were not yet available for most agencies and programs. (See pages 28-30.)

- For the most part, the various outcome measurement efforts are being initiated at the federal level. Our conversations with officials in other states indicated that Tennessee's progress is generally consistent with other states, although Tennessee appears to be ahead of some other states in implementing Results Oriented Management and Accountability (ROMA) as part of the Community Services Block Grant (CSBG) Program. (See pages 29-32.)

- The implementation of a system to develop, track, and report outcome measures is time consuming and will, for many agencies, require extensive training and improvements in computer capabilities to be successful. Many human resource and community action agency staff we interviewed did not have a clear understanding of outcome measures, why measures were important, and how they could be used for the agency's various programs. In addition, most of the agencies we visited did not have the information systems in place to track clients beyond the short term. For many programs, tracking of clients throughout the program and even after they leave the program is necessary to truly determine whether program goals such as self-sufficiency, finding and keeping a job, or completing a degree have been achieved. (See page 30.)

- Although helping clients move toward self-sufficiency is the primary goal of many of the programs operated by the agencies, some clients may not reach that goal quickly, if ever. By using scales (i.e., continuums which describe different states or conditions of status), agencies can measure concepts that are not easily quantified and can measure intermediate steps or progress toward a goal. Information on scales has been available to agencies since 1998, and agency staff (particularly CSBG Program staff) expressed interest in using scales; however, during our fieldwork, no agency in the scope of our audit was using a scaling system to measure the impact of a program or service. According to the contractor that is helping implement ROMA in Tennessee, agencies need to grasp the basic tenets of ROMA before advancing to the complexity of scales. (Missouri's community action agencies have implemented a ROMA Family Self-Sufficiency Scale for their CSBG program, and that state's Head Start programs are in the process of implementing the scale.) (See pages 32-38.)

Service Delivery Model Components

- <u>Overall Comment.</u> Our agency site visits indicated (and discussions with state officials and agency staff confirmed) that Tennessee's focus is on maximizing direct delivery of services. Discretionary dollars are used almost exclusively for service delivery, rather than for improving planning, developing information systems, etc. The result of this philosophy is that more clients are helped, at least in the short term. Certainly, such a philosophy is hard to criticize, particularly when there are so many Tennessee citizens who need assistance. However, another result is that system improvements that could result in more efficient and effective programs in the long term are delayed or foregone.

  An additional factor impeding improvements in service delivery has been a focus on providing emergency services at the expense of long-term self-sufficiency programs. If an agency is providing mostly emergency services, there is less need for planning, case management, and coordination with other agencies, or for systems to track clients and to measure the effect of the service on the client's life. It is much easier, cheaper (at least in the short term), and less time consuming to focus on providing a client with food and paying his or her rent or utility bills than to work with the client long term in an attempt to help him or her become self-sufficient. It is certainly a worthy goal to prevent as many clients as possible from going hungry or from losing their housing or utility service. Therefore, the question for the state and local communities to consider is whether it is better to provide

minimal, short-term services to more clients or to provide longer-term, more intensive services to fewer clients, in an attempt to permanently improve those clients' lives by helping them become self-sufficient.

- Needs Assessment. The 17 community action and human resource agencies that participate in the Community Services Block Grant (CSBG) program are required to submit an annual plan, which includes a community needs assessment. Most agencies use this CSBG needs assessment for the rest of their programs as well, rather than performing needs assessments for individual programs. The non-CSBG agencies performed periodic needs assessments or client surveys for some individual programs such as transportation and aging. Needs assessments for employment services (offered by three of the HRAs) are required to be conducted by local workforce investment boards as part of their strategic plans. Head Start agencies must conduct needs assessments every three years. Community representatives, including clients, appear to have reasonable input into the needs assessment process, whether through membership on the agency's board of directors or an agency policy council or task force, or through participation in a public meeting or client survey. However, the extent to which agencies used such information to more fully meet needs (for example, by developing new programs or refocusing current programs) varied. (See page 41.)

- Outreach. Overall, the agencies appeared to have appropriate systems of outreach in place. Agency staff make presentations throughout the service delivery area, and agencies apparently use the media extensively to inform the public about the services available and the availability of certain types of funds (e.g., emergency heating and cooling funds available through the Low-Income Home Energy Assistance Program [LIHEAP]). Agency staff prepare and distribute brochures or information sheets on many of their major programs; those we reviewed contained appropriate information. Agencies' efforts to distribute this information also appeared appropriate—placing brochures at locations frequented by potential clients (e.g., placing information on aging programs at senior citizen centers).

  Some agencies do not advertise services because they already have a waiting list or have all the clients they can handle. Although this action is understandable, it may contribute to the same clients obtaining services repeatedly, while potential clients who may be more needy are not served because they do not know about the services available or do not understand how and when to apply for assistance. (See pages 41-42.)

- Referrals. A major area of weakness identified during our reviews of agency files was the lack of documentation of referrals at most agencies and for most programs. (Head Start clients' files were an exception, with medical referrals generally well-documented.) When questioned about referrals, program staff indicated that they frequently refer clients to other programs or other agencies that might provide additional services and assistance. Clients' files, however, contained little evidence of referrals, and most of the referrals that were documented were to other programs within that agency or to services provided by a state agency (e.g., food stamps provided by the Department of Human Services). In their comments about referrals made to other agencies, program staff most often mentioned referring clients to services provided by churches, the Salvation Army, etc.; they seldom (except in a few cases concerning transportation programs) mentioned referring clients to the HRA or CAA that also provided services in their delivery area. In addition, staff at most

agencies appeared to know very little about the services offered by "competing" agencies. Without a strong referral network, clients may not be getting all the services they need; without documentation of referrals, agency staff cannot perform the type of client tracking and follow-up needed for an effective system. (See page 42.)

- Access to Services. Overall, the HRAs and CAAs appear to have done a good job of providing clients reasonable access to the services they need. Most agencies serving multiple counties have an office in each county where clients can obtain most services. In addition, program staff will often assist elderly or disabled clients by bringing program applications to their homes, delivering commodities, etc. Agencies provide transportation for some programs, and all counties in the state are covered by the Rural Public Transportation Program, which provides transportation services in nonurbanized areas.

  Despite the various transportation services available, agency staff frequently listed transportation as a major unmet need for their clients. It appears that transportation is a service that could greatly benefit from increased coordination and cooperation among service providers and from strategic planning on the regional, or at least on the county, level. Improved planning and coordination could help meet clients' needs and also help agencies control transportation costs. (See page 42.)

- Intake. For the most part, agencies have one central location where clients could go to determine what services are available and which of those services they are eligible for. However, clients still have to fill out individual applications for each program. In addition, we found no instances of joint intakes and assessments with other service providers. Some agency staff indicated that a single application for their agency would be preferable, if possible, but noted concerns—differing eligibility requirements and information required by the various programs and the possible need to keep some data confidential. (See page 43.)

- Eligibility Determination. The majority of agency files we reviewed contained documentation that clients met the eligibility requirements for the services they were provided—the extent of documentation varied by program. Client files for CSBG, Head Start, Housing programs, and the Weatherization Assistance Program typically contained documentation of income eligibility. Ninety percent of the LIHEAP files we reviewed contained documentation of income, but evidence that staff had checked compliance with other program requirements (i.e., restrictions on the different types of assistance a client can receive during the same program year) was lacking. During our reviews of commodities files, we found that although most agencies did a good job of documenting eligibility, some files did not contain documentation that clients were eligible for the Emergency Food Assistance Program. Because resources are scarce and, in many cases, the demand for services exceeds the services available, it is important that only eligible clients are served. Adequately documenting client eligibility better enables agencies to justify their decisions regarding allocation of resources and helps them ensure that they are serving only appropriate clients. (See page 43.)

- Case Management. Agencies provide formal case management for some programs such as Head Start, Workforce Investment, Community Corrections, and the self-sufficiency programs under CSBG. The case managers are generally responsible for identifying needs, setting goals, making referrals, and periodically meeting with clients to assess progress. For other, less structured programs such as emergency services and energy assistance, however, case managers are typically not assigned. Although these types of programs may not require intensive case management, it seems that some level of case management might help clients improve their situation to the extent that some services are no longer necessary or less financial assistance is required. (See page 43.)

- Client Monitoring/Tracking. See page 137 for the finding on client monitoring systems.

- Performance Measures/Outcomes. See discussion under **Outcome Measures** section above.

Miscellaneous Conclusions/Weaknesses

- Although the Tennessee Association of Human Resource Agencies and the Tennessee Association of Community Action share common interests and some member agencies, the two associations do not appear to coordinate or cooperate. This limits their effectiveness in improving service delivery and advocating for the agencies they represent and the clients those agencies serve. (See pages 8-10.)

- Agencies providing LIHEAP services are required to have a coordinated LIHEAP/ Weatherization Assistance Program client referral system to help ensure that clients understand and have access to services that could help them reduce their energy bills. However, based on our discussions with program directors and our reviews of client files, it was not clear that agencies were always following the required referral system steps. (See pages 68-69.)

- Six human resource agencies participate in the Community Corrections Program operated by the Board of Probation and Parole. The board has set certain performance goals for participating agencies; however, not all the HRAs met these goals. Specifically, for fiscal year 2000, two of the HRAs' programs had offender recidivism rates greater than the 5 percent goal. Three did not maintain a successful termination (i.e., program completion) rate (for offenders participating in the program) of at least 60 percent. The board assessed no penalties against participating agencies that did not meet the goals. (See pages 131-132.)

Areas of Concern

- Most grantors require some type of monitoring to determine the extent to which grantees comply with program requirements. In the Head Start and Commodities programs, the federal grantors or the state agencies that administer the programs do their own monitoring. For other programs, the grantor or administering agencies contract with other agencies to conduct monitoring activities. For example, the Tennessee Department of Human Services contracts with the Department of Finance and Administration to monitor agencies' compliance with CSBG, LIHEAP, and Weatherization Assistance Program requirements, as does the Board of Probation and Parole (to monitor Community Corrections grantees). Based on our very limited review of the monitoring activities, it appears that monitoring systems are in place. It also appears, however, that (particularly in cases where outside agencies are doing the monitoring), the system could be improved if grantor/administering agencies and monitoring agencies worked together more closely to ensure that monitors (1) understand the programs they are monitoring and the specific types of information they need to obtain and items they need to review; (2) directly address in reports any questions or areas of concern identified by the grantor; and (3) are responsive to grantors' requests for additional information about monitoring methodologies, review results, etc. (See pages 56 and 129.)

- All of the agencies receive federal funds and are, therefore, subject to Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on "race, color, or national origin." The majority of agencies indicated that they did not have a formal Title VI plan. Two agencies stated that they had plans which were being revised, two stated they were in the process of developing plans, and one agency indicated that, although it had no overall plan, individual programs had Title VI plans. However, although we requested copies of any plans, only one agency provided us a copy of its plan, which focused on equal employment opportunity and affirmative action. Most agencies do appear to have taken some actions to acquaint both staff and clients with Title VI: training staff/board members during orientation and at staff/board meetings, addressing Title VI in agency policy manuals, displaying Title VI posters and other related information in agency offices, and providing clients with information concerning Title VI during the application process and in agency advertisements or news releases. (See pages 49-50.)

- Although clients' demand for energy assistance almost always exceeds available funds, Tennessee, unlike most of its neighboring states, does not supplement the federal funds received through the Low-Income Home Energy Assistance Program (LIHEAP). In addition, when federal contingency funds become available, some contract agencies may not be able to use those funds in a timely manner because of a state requirement that contract agencies amend their contracts and budgets, and obtain approval for the amendments, before they can use the funds to help clients. (See pages 66-68.)

- Tennessee is not taking advantage of all federal funds available for energy assistance. State officials have chosen not to apply for funding available through the LIHEAP Leveraging Incentive Program (which rewards grantees for acquiring non-federal home energy resources for low-income households) and the Residential Energy Assistance Challenge Program

(which encourages energy self-sufficiency). Reasons given by DHS officials for Tennessee's nonparticipation included insufficient staff for discretionary grant writing and concerns about whether the amount of funding available was sufficient to justify the effort. (See pages 68 and 71.)

- Two agencies had substantial declines in the number of applications for LIHEAP assistance as a result of required changes in the intake process. Clients apparently had difficulty completing the applications, became frustrated, and stopped pursuing assistance through LIHEAP. Failure to receive energy assistance could have a significant negative impact on a client's health and well-being. (See pages 69-70.)

- Funding limitations in the Weatherization Assistance Program have resulted in extensive waiting lists, with some persons having been on a list for years. In addition, because of federal limits on how much can be spent per home and what types of improvements can be made, the assistance provided in some cases only addresses a small portion of the home's problems. Recent Environmental Protection Agency standards concerning lead-based paint may further limit the houses that are served by the program or the extent to which homes can be weatherized. State officials anticipate that the state's Weatherization Assistance Program allocation will increase significantly in the near future but do not anticipate that the spending limit per home will increase. (See pages 73 and 75-76.)

- Although DHS allows agencies to budget up to 6 percent of their Weatherization Assistance Program allocations for client education in conservation practices, none of the agencies we visited participated in this program. Instead, they chose to use all their funding to weatherize homes. In the short term, this option certainly appears to be most helpful to clients; in the long term, however, education in efficient energy practices may have more impact. (See page 76.)

- Several agencies had substantial waiting lists for supportive services for the elderly, such as homemaker services and adult day care. Such services are critical for enabling older persons to remain in their own home and assisting persons caring for older family members. (See page 85.)

- According to some agencies, the failure to receive DHS referrals for Families First or transitional clients in a timely manner is a major problem affecting the Child Care Broker Program. DHS management concede that problems with timeliness of referrals do exist, but attribute most of the problem to clients who fail to submit documentation or apply for services in a timely manner. (Based on our limited review of information in client files, we did identify some timeliness problems but could not determine the cause.) One agency indicated that the situation had improved during 2001, and according to DHS officials, the department is addressing the problem by making changes to its ACCENT eligibility system and working with local agencies to improve communications regarding referrals. (See pages 93-94.)

- Because of the Child Care Broker Program's focus on Families First and Transitional Families First clients, other low-income families may not be able to obtain services. These

families compete with transitional families for the limited Child Care Development Block Grant Funding, and several agencies had substantial waiting lists (e.g., 90 to 175 clients). (See page 95.)

- Ninety percent of the children enrolled in each Head Start Program must be from low-income families, as defined by federal poverty guidelines. (The other 10 percent of the slots are often filled with children with disabilities.) Agency staff expressed concerns that there are many children in their community who need Head Start services but do not receive them because their families' incomes are slightly above the poverty level. (The 2000 poverty guideline was $14,150 before taxes for a family of three persons.) (See page 106.)

- Transportation of Head Start children is a problem for several agencies. Solutions are found in most cases (e.g., use of a local school's or another agency's transportation system); however, agencies indicated that, on occasion, the distance from a center may prevent a child from being served. (Agencies could not provide data on how often this occurs.) A contributing factor to the transportation problem is a state law limiting (to a total of one and a half hours per day) the amount of time a child may spend in transport to and from a center. (See pages 104-105.)

- The HOUSE Program, a state program that paid for the construction or rehabilitation of 713 dwellings during fiscal year 1999, has not been funded by the General Assembly since that time. This program's discontinuance also has had a negative impact on the Weatherization Assistance Program because HOUSE funds were used to supplement WAP funds to address more completely the weatherization needs of low-income homeowners. (See pages 73-74 and 115.)

RECOMMENDATIONS

LEGISLATIVE

This performance audit identified the following areas in which the General Assembly may wish to consider statutory changes to improve the efficiency and effectiveness of the operations at the Human Resource Agencies and the Community Action Agencies.

1. The General Assembly may wish to consider working with the existing HRAs and CAAs to reduce overlap in some service areas. This reduction could be accomplished by combining agencies (as was done in the southern part of the state in the 1980s), by terminating some agencies, or through administrative agreements whereby agencies share administrative staff, office space, etc. Any such actions should be taken in consultation with state and local officials, as well as with agency clients. Federal funding agencies should also be consulted to ensure that no actions are taken that threaten federal funding or conflict with federal funding requirements.

2. The General Assembly may wish to consider consulting federal, state, and local officials, as well as agencies and their clients, to determine whether a change in the service delivery system's focus is needed. Specifically, the question is whether it would be in the best interest of local communities and their citizens to divert some funds currently spent on direct client services in order to improve agency and community-wide planning, case management, and development of client monitoring and tracking systems. Another question to consider is whether some of the money currently spent on short-term services (e.g., emergency services) should gradually be diverted to more intensive, long-term services focused on helping clients achieve and maintain self-sufficiency.

3. Considering that five of the state's nine human resource agencies receive Community Services Block Grant funding, the General Assembly may wish to consider adjusting the board membership requirements of the human resource agencies to bring them into compliance with the board membership requirements of the Community Services Block Grant. For the four HRAs not receiving CSBG funding, such an adjustment would recognize the need for client input and participation in agency decision-making.

ADMINISTRATIVE

The following areas should be addressed to improve the efficiency and effectiveness of operations of the human resource and community action agencies.

Coordination

1. If human resource and community action agencies continue to overlap service areas, they must improve coordination. Agency management needs to work together to ensure that services are not duplicated and that gaps in needed services are covered. Agency program staff need detailed information on the services the other agency offers, including contact persons, to help ensure that needed referrals are made.

2. Management at each agency should work to ensure internal coordination and cooperation among the agency's various programs. Agency staff should share information and ideas to help ensure that as many of the clients' needs as possible are met by that agency, that clients do not receive similar services from more than one program, and that programs work together in an attempt to meet clients' long-term, as well as short-term, goals, and move them toward self-sufficiency wherever possible.

3. Agencies that have not already done so should establish formal networks/partnerships with other social service agencies in their service area. They should consult federal and state funding sources to clarify restrictions on data sharing and share client information to the extent allowed in order to improve service delivery and avoid duplication of services. Once the partnerships have been established, agencies should consider working together to provide training for staff, apply for and obtain grants, etc.

4. The Tennessee Association of Human Resource Agencies and the Tennessee Association of Community Action should increase their efforts to facilitate the exchange of ideas and the sharing of best practices among their members and to help member agencies deal with problems. Association officers and members should work together to foster improved coordination and cooperation between the two associations. The two associations should explore the possibility of combining into one larger association serving both community action and human resource agencies.

Service Delivery Model Components

5. Client Monitoring/Tracking. The HRAs and CAAs should develop client-monitoring systems that track clients across all programs. In addition, the agencies should reconcile client information from the various counties to determine if clients or households participate in programs in more than one county. The agencies should consult federal and state funding agencies to identify model systems and available sources of training.

6. The HRAs and CAAs should work together through their state associations to explore strategies for improving their technical capacities. They should consult the federal Office of

Community Services and other states that have recently implemented technology projects to identify techniques and methodologies that could be used in Tennessee. The agencies should work with local development districts, as well as with state officials, to identify and apply for outside funding to improve their ability to collect, track, and report client information.

7. Strategic Planning. Each HRA and CAA should develop agency-wide strategic plans that integrate all agency programs and incorporate goals and objectives related to the development of a comprehensive information management system. The HRAs and CAAs should work together, through their state associations, to share best practices. In addition, the agencies should work with state and federal officials, as well as local development districts, to ensure that plans are developed appropriately and include all the needed attributes.

8. Outcome Measures. Agencies should continue their implementation of Results Oriented Management and Accountability (ROMA) and use the ROMA concepts and system to gradually develop, track, and report outcome measures for their other programs. Working through their associations, agencies should share information on outcome measures, and agencies currently using ROMA should assist the four non-CSBG agencies in understanding and developing outcome measures for their programs. Agencies should consult federal and state funding agencies to ensure their measures are appropriate and to identify training and/or funding that may be available for agencies developing such measures.

9. In developing outcome measures, agencies should consider using scales to help measure incremental progress toward a long-term goal (e.g., self-sufficiency). For assistance in developing such scales, agencies should consult state and federal officials (as appropriate), as well as officials from other states that have implemented scales for their programs.

10. Needs Assessments. When conducting needs assessments, agencies should design methods to obtain input from all segments of the community, and revise those methods if they do not receive sufficient and wide-ranging participation. Agencies should then use the results of the needs assessments to develop new programs or refocus current programs to meet identified needs.

11. Outreach. In order to help ensure that the most needy clients are served (rather than just repeat clients), agencies should continue to conduct outreach activities for their various programs. This action, in conjunction with needs assessments, will also help agencies obtain a more accurate picture of the need for a particular program or service.

12. Referrals. Agency management should stress to program staff the need to assess individual clients' needs and refer them to providers who can meet those needs. Program staff should document those referrals (both to and from their programs) in clients' files and follow up when possible to ensure that clients obtained the needed services. Management should encourage staff to interact with staff at other social service agencies to help determine available services, identify contact persons, etc.

13. Access. Because so many agency staff listed transportation as a major unmet need for their clients, agencies should work together on a county or regional level to help improve clients'

access to transportation services. Agencies without transportation programs should obtain and disseminate information (e.g., how to get a ride, cost, amount of notice needed) on transportation services available in their area. Agencies within a given county should explore the possibility of sharing a van (or vans) to more efficiently provide rides for their clients. Agencies with transportation programs should consult other social service agencies and regional planning agencies to better estimate needs and then identify additional sources of funding through discussions with state and federal officials.

14. <u>Intake/Eligibility Determination.</u> Agencies should discuss with state and federal officials the possibility of developing a single application for use by the agency's clients, or at least sharing general information, to limit the duplicative information clients must provide and staff must enter into the system. (Although eligibility requirements for programs differ, certain types of information are obtained for all programs.) Agency management should ensure that clients who need assistance completing applications receive that assistance and that instructions for application completion are easy to read, clear, and detailed.

15. Agency management should ensure that staff obtain documentation that clients meet program eligibility requirements and document that eligibility (particularly income eligibility) in all clients' files.

16. <u>Case Management.</u> Agency management should review their programs to identify those programs that do not currently provide case management and consider whether some limited form of case management in those programs might help clients improve their situation or achieve self-sufficiency more quickly.

<u>Other Recommendations</u>

17. The human resource agencies should work with state officials to identify ways to revise their board structures (within statutory requirements) to address federal concerns regarding the need to include client representatives in agency decision making. Including client representation on agency boards and policy councils is important for all HRAs, not just those receiving funding through the Community Services Block Grant.

18. Mid-East CAA and Anderson County CAC should revise their cost allocation plans and submit them for approval to the designated grantor agency.

19. Management of agencies offering LIHEAP and Weatherization Assistance should review with program staff the requirements for a coordinated LIHEAP/Weatherization Assistance client referral system and ensure that staff follow the required steps and document that compliance in clients' files.

20. All HRAs participating in the state's Community Corrections Program should work to meet the performance goals set by the Board of Probation and Parole. They should request assistance from the board, local judges, and other local service providers as needed to help them meet the goals.

21. Monitors (such as those in the Department of Finance and Administration) who conduct program compliance reviews of the HRAs and CAAs should work closely with the agencies (e.g., the Department of Human Services and the Board of Probation and Parole) that contract for those reviews to ensure that monitors (1) understand the programs they are monitoring and the specific types of information they need to obtain or items they need to review; (2) directly address in reports any questions or areas of concern identified by the contractor; and (3) are responsive to contractors' requests for additional information about monitoring methodologies, review results, etc.

22. The state agencies that administer federal programs operated by the HRAs and CAAs should work with those agencies and provide training as needed to ensure that the HRAs and CAAs fully understand the requirements of Title VI of the Civil Rights Act of 1964 and their responsibilities under Title VI.

23. To address identified needs that have not yet been met because no programs exist or the funds for current programs are insufficient, the HRAs and CAAs should work with state and local officials, their associations, local development districts, and other local service providers (both public and private) to identify additional funding sources and pursue that funding. The agencies should use local resources such as development district staff, as needed, for assistance in identifying and applying for federal grants.

24. Those agencies operating LIHEAP should work with their associations, state officials, and local utility companies to develop programs to supplement energy assistance funds. Agencies should also contact other southeastern states that have developed such programs to obtain information on program specifics and implementation.

25. Agencies operating a Head Start program should work with their local rural transportation provider or with other social service providers in their area to ensure that all eligible children obtain transportation to Head Start classes. If an eligible child cannot be served because transportation could not be provided within the time limits set by statute, the agency should consider requesting from the state a waiver for that specific case.

26. Agencies operating the Weatherization Assistance Program should consider using some of their allocations for client education in energy conservation practices.

Agency Revenue by Program

The following pages are summaries of Revenue by Program for each of the agencies included in this audit. (Agencies are included alphabetically, with community action agencies first, then human resource agencies.) The information was obtained from audited financial statements filed with the Comptroller of the Treasury, Division of Municipal Audit. Each agency contracts with a public accounting firm for annual financial statement audits.

Anderson County Community Action Commission, Inc.
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 130,399
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 83,509
Emergency Food and Shelter	Federal Emergency Management Agency	$ 5,177
Total Federal Assistance		$ 219,085
	Anderson County	$ 6,440
Green Thumb	United Way	$ 6,663
Total Local Assistance		$ 13,103
Total Contributions		$ 941
Donated Facilities		$ 29,858
Total Other Income		$ 622
Total Program Revenues		$ 263,609
Emergency Food Program - Noncash Assistance	Donated food (value estimated by agency)	$ 208,104
	Total	$ 471,713

Source: Agency's audited financial statements.

Blount County Community Action Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source		Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$	12,224
Emergency Food and Shelter	Federal Emergency Management Agency	$	9,559
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$	205,190
Low Income Pilot for Weatherization Assistance	Tennessee Valley Authority	$	2,342
Senior Nutrition Title III C	U.S. Dept. of Health and Human Services	$	186,275
Aging Title III B	U.S. Dept. of Health and Human Services	$	69,156
Aging Title III D	U.S. Dept. of Health and Human Services	$	7,204
Weatherization Assistance	U.S. Dept. of Energy	$	57,714
Community Services Block Grant	U.S. Dept. of Health and Human Services	$	133,024
Summer Food Service	U.S. Dept. of Health and Human Services	$	19,227
Total Federal Assistance		$	701,915
HOUSE Grant	Tennessee Housing Development Agency	$	205,493
Total State Assistance		$	205,493
Interest Income		$	6,075
Total In-kind Contributions		$	45,125
Program Income/Donations		$	104,871
Total Program Revenues		$	1,063,479
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$	21,000
Total		$	1,084,479

Source: Agency's audited financial statements.

Bradley-Cleveland Community Services Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 11,050
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 125,508
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 194,089
Weatherization Assistance	U.S. Dept. of Health and Human Services	$ 56,605
Emergency Shelter Grant	U.S. Dept. of Health and Human Services	$ 53,059
Summer Food Service	U.S. Dept. of Health and Human Services	$ 299,233
Total Federal Assistance		$ 739,544
Commission on Aging Program	Tennessee Commission on Aging	$ 14,142
Total State Assistance		$ 14,142
State & Local Revenue		$ 236,556
Other Revenue		$ 80,664
Total Program Revenues		$ 1,070,906
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 45,599
Total		$ 1,116,505

Source: Agency's audited financial statements.

Clarksville-Montgomery County Community Action Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Foster Grandparent	Corp. for National and Community Services	$ 295,938
Child and Adult Care Food	U.S. Dept. of Agriculture	$ 98,384
Head Start	U.S. Dept. of Health and Human Services	$ 1,128,561
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 9,390
Weatherization Assistance	U.S. Dept. of Energy	$ 49,004
Emergency Food and Shelter	Federal Emergency Management Agency	$ 5,420
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 232,926
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 148,923
Emergency Shelter Grant	U.S. Dept. of Housing and Urban Development	$ 21,000
Community Development Block Grant	U.S. Dept. of Housing and Urban Development	$ 24,397
Total Federal Assistance		$ 2,013,943
In-kind Gifts		$ 272,639
Other		$ 11,221
Total Program Revenues		$ 2,297,803
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 21,508
Total		$ 2,319,311

Source: Agency's audited financial statements.

Cordell Hull Economic Opportunity Corporation
Summary of Revenue by Program
For the Year Ended June 30, 1999

Program	Funding Source	Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 16,247
Emergency Food and Shelter	Federal Emergency Management Agency	$ 27,350
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 225,876
Head Start	U.S. Dept. of Health and Human Services	$ 2,056,981
Weatherization Assistance	U.S. Dept. of Energy	$ 48,463
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 103,842
Child and Adult Care Food - Performance Based	U.S. Dept. of Agriculture	$ 106,858
Total Federal Assistance		$ 2,585,617
	State Appropriation-Dept. of Human Services	$ 11,815
Total State Assistance		$ 11,815
Local Contributions		$ 3,448
Total In-kind Contributions		$ 529,270
Total Program Revenues		$ 3,130,150
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 87,603
Total		$ 3,217,753

Source: Agency's audited financial statements.

Douglas-Cherokee Economic Authority, Inc.
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Title III-B Social Services	U.S. Dept. of Health and Human Services	$ 63,979
Title III-B Supportive Services	U.S. Dept. of Health and Human Services	$ 10,000
Title III-C Senior Nutrition	U.S. Dept. of Agriculture/ U.S. Dept. of Health and Human Services	$ 557,852
Emergency Food and Shelter	Federal Emergency Management Agency	$ 67,384
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 440,748
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 670,296
Tennessee Child Care	U.S. Dept. of Health and Human Services	$ 336,067
Family Day Home Registration	U.S. Dept. of Health and Human Services	$ 97,634
Child Care Food	U.S. Dept. of Agriculture	$ 320,738
Child Care Broker	U.S. Dept. of Health and Human Services	$ 264,441
Families First Incentive Grant	U.S. Dept. of Health and Human Services	$ 16,141
Governor's Community Prevention	U.S. Dept. of Health and Human Services	$ 47,721
Talent Search	U.S. Dept. of Education	$ 294,355
Appalachian Education Upward Bound	U.S. Dept. of Education	$ 445,979
Achievement in Mathematics & Science	U.S. Dept. of Education	$ 42,838
Community Technology Centers	U.S. Dept. of Education	$ 195,636
Head Start	U.S. Dept. of Health and Human Services	$ 4,955,488
CHDO, CDBG, and HOME Technical Assistance	U.S. Dept. of Housing and Urban Development	$ 194,284
Supportive Housing Technical Assistance	U.S. Dept. of Housing and Urban Development	$ 9,580
Total Federal Assistance		$ 9,031,161
Early Childhood Education Program	Tennessee Dept. of Education	$ 241,887
Health Promotions		$ 2,385
State Senior Center	East TN HRA/TN Commission on Aging	$ 30,202
Total State Assistance		$ 274,474
Total Local Contributions		$ 1,562,242
Total Interest		$ 40,506
Total Program Revenues		$ 10,908,383
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 30,298
Total		$ 10,938,681

Source: Agency's audited financial statements.

Highland Rim Economic Corporation
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Housing Preservation	U.S. Dept. of Agriculture	$ 90,996
Child and Adult Care Food	U.S. Dept. of Agriculture	$ 86,659
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 21,818
Weatherization Assistance	U.S. Dept. of Energy	$ 58,054
Emergency Food and Shelter	Federal Emergency Management Agency	$ 29,111
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 197,831
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 159,239
CCDF Quality Child Care	U.S. Dept. of Health and Human Services	$ 5,000
Head Start	U.S. Dept. of Health and Human Services	$ 1,146,027
Total Federal Assistance		$ 1,794,735
HOUSE	Tennessee Housing Development Agency	$ 147,169
HOME (1995 Project)	Tennessee Housing Development Agency	$ 217,675
Total State Assistance		$ 364,844
Contract Income		$ 100,127
Local Contributions		$ 38,935
Total In-kind Contributions		$ 288,905
Total Other Income		$ 3,624
Total Program Revenues		$ 2,591,170
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 74,606
Total		$ 2,665,776

Source: Agency's audited financial statements.

Mid-Cumberland Community Action Agency, Inc.
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Emergency Food and Shelter	Federal Emergency Management Agency	$ 21,025
Head Start	U.S. Dept. of Health and Human Services	$ 4,987,377
Early Head Start	U.S. Dept. of Health and Human Services	$ 880,655
Supportive Housing	U.S. Dept. of Housing and Urban Development	$ 6,970
Head Start -Daycare Broker Payments	U.S. Dept. of Health and Human Services	$ 150,988
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 32,922
Retired Senior Volunteer	ACTION	$ 51,062
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 564,370
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 788,570
Weatherization Assistance	U.S. Dept. of Energy	$ 213,000
Family Day Home Grant	U.S. Dept. of Health and Human Services	$ 67,345
Emergency Shelter Grant	U.S. Dept. of Housing and Urban Development	$ 3,302
Child and Adult Care Food	U.S. Dept. of Agriculture	$ 304,511
Summer Food Service	U.S. Dept. of Agriculture	$ 32,102
Total Federal Assistance		$ 8,104,199
Head Start Male Grant		$ 4,000
Child Care Broker Grant	Tennessee Dept. of Human Services	$ 238,056
TVA Pilot - WAP	Tennessee Valley Authority	$ 7,276
Total State/Other Assistance		$ 249,332
Total Local Contributions		$ 193,225
Total In-kind Support		$ 1,650,416
Total Interest Income		$ 4,804
Total Program Revenues		$ 9,952,644

Source: Agency's audited financial statements.

Mid-East Community Action Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Head Start	U.S. Dept. of Health and Human Services	$ 1,037,504
Early Head Start	U.S. Dept. of Health and Human Services	$ 205,508
Title III-B Supportive Center	U.S. Dept. of Health and Human Services	$ 41,486
Title III-C Senior Nutrition Services	U.S. Dept. of Health and Human Services	$ 112,479
Title III-C Transportation	U.S. Dept. of Health and Human Services	$ 36,660
Title III-C Senior Nutrition	U.S. Dept. of Agriculture	$ 31,239
Title III-F Disease Prevention and Health Promotion	U.S. Dept. of Health and Human Services	$ 1,595
Emergency Food & Shelter	Federal Emergency Management Agency	$ 9,770
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 13,120
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 170,903
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 225,829
Weatherization Assistance	U.S. Dept. of Energy	$ 55,267
Child Care Food	U.S. Dept. of Agriculture	$ 51,716
Total Federal Assistance		$ 1,993,076
	United Way	$ 16,414
	Roane County Court	$ 2,500
Water Project		$ 1,250
Title III Senior Center	East Tennessee Human Resource Agency	$ 15,638
State Nutrition	East Tennessee Human Resource Agency	$ 18,860
Total State and Local Assistance		$ 54,662
Total Program Income		$ 29,446
Total Miscellaneous		$ 3,458
Total Investment Income		$ 3,938
Total In-kind Support		$ 388,514
Total Program Revenues		$ 2,473,094
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 35,644
Total		$ 2,508,738

Source: Agency's audited financial statements.

Northwest Tennessee Economic Development Council
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 50,681
Head Start	U.S. Dept. of Health and Human Services	$ 7,651,551
Migrant Head Start	U.S. Dept. of Health and Human Services	$ 173,029
Weatherization Assistance	U.S. Dept. of Energy	$ 211,290
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 749,457
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 510,585
Social Services Block Grant	U.S. Dept. of Health and Human Services	$ 47,831
Victims of Crime Act	U.S. Dept. of Justice	$ 76,075
Child Care Broker	U.S. Dept. of Health and Human Services	$ 132,836
Child Care Food	U.S. Dept. of Agriculture	$ 439,718
Total Federal Assistance		$ 10,043,053
Homemaker	Tennessee Dept. of Human Services	$ 10,932
Homemaker - Child	Tennessee Dept. of Children's Services	$ 45,544
Emergency Food & Shelter		$ 87,927
Child Care Broker		$ 297,492
Housing #417	Tennessee Housing Development Agency	$ 49,718
Weakley County Day Care	Tennessee Dept. of Education	$ 92,047
Total State Assistance		$ 583,660
Project Help	Weakley County Muncipal Electric System	$ 475
Teen Pregnancy	Emory University	$ 55,502
	Tennessee Valley Authority	$ 8,259
	United Way	$ 6,984
	Western Kentucky University	$ 1,305
Total Local/Other Assistance		$ 72,525
Total Local Revenue		$ 807,086
Total Program Income		$ 8,085
Total Employer Contributions		$ 282,183
Total Net Appreciation from Investments		$ 154,416
Total In-kind		$ 1,708,303
Total Program Revenues		$ 13,659,311
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 513,418
Total		$ 14,172,729

Source: Agency's audited financial statements.

Upper East Tennessee Human Development Agency, Inc.
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Child Care Food	U.S. Dept. of Agriculture	$ 264,259
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 30,316
Child Care Resource	U.S. Dept. of Health and Human Services	$ 11,069
Families First Incentive	U.S. Dept. of Health and Human Services	$ 12,948
Head Start	U.S. Dept. of Health and Human Services	$ 5,849,679
Communities Service Block Grant	U.S. Dept. of Health and Human Services	$ 956,127
Child Care Resource	U.S. Dept. of Health and Human Services	$ 30,161
Transitional Day Care	U.S. Dept. of Health and Human Services	$ 411,428
Child Care Broker	U.S. Dept. of Health and Human Services	$ 197,388
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 1,272,961
Weatherization Assistance	U.S. Dept. of Energy	$ 351,089
Retired Senior Volunteer	Corp.for National and Community Service	$ 61,627
Title V - Older Americans	U.S. Dept. of Labor	$ 225,085
Emergency Food and Shelter	Federal Emergency Management Agency	$ 59,249
Total Federal Assistance		$ 9,733,386
Step-up Youth	Kingsport Tomorrow	$ 37,585
Child Care Resource Center Quality Enhancement	East Tennessee State University	$ 2,278
TVA Pilot for Weatherization	Tennessee Valley Authority	$ 14,286
Retired Senior Volunteer	Tennessee Commission on Aging	$ 8,363
Total Other Assistance		$ 62,512
Agency Operations - Donations, Interest Income		$ 83,687
Total In-kind Contributions		$ 1,612,737
Total Program Revenues		$ 11,492,322
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 197,666
Total		$ 11,689,988

Source: Agency's audited financial statements.

Delta Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Summer Food Service	U.S. Dept. of Agriculture	$ 23,289
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 32,758
HOME Investment Partnership	U.S. Dept. of Housing and Urban Development	$ 86,671
Public Transportation for Nonurbanized Areas	U.S. Dept. of Transportation	$ 269,574
Weatherization Assistance	U.S. Dept. of Energy	$ 94,371
Emergency Food and Shelter	Federal Emergency Management Agency	$ 31,655
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 356,373
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 274,859
Child Care Broker	U.S. Dept. of Health and Human Services	$ 160,689
Total Federal Assistance		$ 1,330,239
Character Counts	Tennessee Dept. of Human Services	$ 39,625
Public Transportation for Nonurbanized Areas	Tennessee Dept. of Transportation	$ 218,165
Total State Assistance		$ 257,790
State & Local Contributions		$ 93,881
Total Interest Income		$ 22,625
Total Program Income		$ 467,873
Total Program Revenues		$ 2,172,408
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$ 148,373
Total		$ 2,320,781

Source: Agency's audited financial statements.

East Tennessee Human Resource Agency, Inc./Mountain Valley Economic Opportunity Authority
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source		Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$	41,192
Child and Adult Care Food	U.S. Dept. of Agriculture	$	987,021
Summer Food Service	U.S. Dept. of Agriculture	$	363,949
Section 8 Rental Voucher	U.S. Dept. of Housing and Urban Development	$	1,556,698
Section 8 Rental Certificate	U.S. Dept. of Housing and Urban Development	$	751,218
Housing Opportunities for Persons with AIDS	U.S. Dept. of Housing and Urban Development	$	61,086
State and Local Law Enforcement Assistance	U.S. Dept. of Justice	$	36,510
Senior Community Service Employment	U.S. Dept. of Labor	$	277,621
JTPA	U.S. Dept. of Labor	$	145,497
Welfare to Work	U.S. Dept. of Labor	$	16,038
Workforce Investment	U.S. Dept. of Labor	$	28,831
Federal Transit - Capital Investment	U.S. Dept. of Transportation	$	152,246
Job Access	U.S. Dept. of Transportation	$	53,459
Grants for Nonurban Areas	U.S. Dept. of Transportation	$	898,414
Weatherization Assistance	U.S. Dept. of Energy	$	392,829
Emergency Food and Shelter	Federal Emergency Management Agency	$	25,079
Special Programs for the Aging - Title VII	U.S. Dept. of Health and Human Services	$	36,458
Special Programs for the Aging - Title III	U.S. Dept. of Health and Human Services	$	2,756,515
Temporary Assistance for Needy Families	U.S. Dept. of Health and Human Services	$	26,730
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$	706,536
Community Services Block Grant	U.S. Dept. of Health and Human Services	$	428,035
Social Services Block Grant	U.S. Dept. of Health and Human Services	$	391,954
HIV Care Grants	U.S. Dept. of Health and Human Services	$	250,788
Nutrition Program for the Elderly - USDA Contributions	U.S. Dept. of Agriculture	$	331,831
Total Federal Assistance		$	10,716,535
State Aging	Tennessee Commission on Aging	$	531,316
Public Guardian	Tennessee Commission on Aging	$	112,001
Rural Transportation	Tennessee Dept. of Transportation	$	849,818
Transportation Capital	Tennessee Dept. of Transportation	$	19,031
Job Access	Tennessee Dept. of Transportation	$	10,692
Community Early Intervention	Tennessee Dept. of Children's Services	$	223,897
Community Corrections	Tennessee Board of Probation and Parole	$	1,162,577
HOUSE	Tennessee Housing Development Agency	$	228,835
Oak Ridge Transit	City of Oak Ridge	$	74,135
Disaster Recovery	Tennessee Housing Development Agency	$	163,068
Child Protective Services Contracts	Child and Family Services/East TN CSA	$	9,965
	State Appropriations	$	45,000
Total State and Local Assistance		$	3,430,335
Total Local Contributions		$	153,010
Total Interest Income		$	96,371
Total Program Income		$	1,468,667
Total Supervision Fees		$	1,322,604
Total Insurance Refunds		$	23,124
Total Reimbursement of Wages		$	25,719
Total Garage Revenue		$	15,243
Conference Revenue		$	31,262
Total Sale of Vehicles		$	650
Total Trust Account Income		$	2,586,522
Loans Issued		$	251,778
Total Other Income		$	49,426
Total Program Revenues		$	20,171,246
Emergency Food Program - Noncash Assistance		$	172,172
Total		$	20,343,418

Source: Agency's audited financial statements.

First Tennessee Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Transportation	U.S. Dept. of Health and Human Services	$ 79,515
Homemaker III	U.S. Dept. of Health and Human Services	$ 111,557
Nutrition	U.S. Dept. of Health and Human Services	$ 659,881
Chore	U.S. Dept. of Health and Human Services	$ 17,888
VOCA	U.S. Dept. of Health and Human Services	$ 32,722
Family Support I and Adult Day Services	U.S. Dept. of Health and Human Services	$ 258,448
Family Support II and Adult Day Services	U.S. Dept. of Health and Human Services	$ 98,848
Nutrition	U.S. Dept. of Agriculture	$ 162,808
Child Care Food	U.S. Dept. of Agriculture	$ 580,564
Adult Day Care Food	U.S. Dept. of Agriculture	$ 3,196
Transportation - Job Access	U.S. Dept. of Transportation	$ 112,746
Transportation	U.S. Dept. of Transportation	$ 1,041,567
Total Federal Assistance		$ 3,159,740
Alternative Community Corrections	Tennessee Dept. of Correction	$ 343,128
Homemaker III	Tennessee Commission on Aging	$ 48,278
Nutrition	Tennessee Commission on Aging	$ 103,005
Character Counts	Tennessee Dept. of Human Services	$ 45,000
Total State Assistance		$ 539,411
Local Contributions		$ 217,727
Total In-kind Contributions		$ 20,955
Total Program Income		$ 1,568,958
Other Income		$ 91,411
Total Program Revenues		$ 5,598,202

Source: Agency's audited financial statements.

Mid-Cumberland Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Food Distribution	U.S. Dept. of Agriculture	$ 171,434
Special Supplemental Food for WIC	U.S. Dept. of Agriculture	$ 102,030
Senior Community Service Employment	U.S. Dept. of Labor	$ 237,944
Summer Youth Employment Training	U.S. Dept. of Labor	$ 462,759
Public Transportation - Section 5311	U.S. Dept. of Transportation	$ 801,276
Public Transportation - Section 5309	U.S. Dept. of Transportation	$ 15,034
Public Transportation - Access to Jobs	U.S. Dept. of Transportation	$ 93,505
Emergency Food & Shelter	Federal Emergency Management Agency	$ 31,157
Aging - Nutrition Services	U.S. Dept. of Health and Human Services	$ 685,023
Aging - Transportation Services	U.S. Dept. of Health and Human Services	$ 197,483
Aging - Title VII Ombudsman	U.S. Dept. of Health and Human Services	$ 32,139
Aging - Title III-B Ombudsman	U.S. Dept. of Health and Human Services	$ 37,082
Homemaker	U.S. Dept. of Health and Human Services	$ 349,180
Total Federal Assistance		$ 3,216,046
Minority Applicant Pool System	Tennessee Dept. of Health	$ 85,000
Public Transportation for Nonurbanized Areas	Tennessee Dept. of Transportation	$ 591,008
Public Transportation - Access to Jobs	Tennessee Dept. of Transportation	$ 93,505
Community Corrections	Tennessee Dept. of Correction	$ 480,313
Character Counts	Tennessee Dept. of Human Services	$ 45,000
Homemaker	Tennessee Commission on Aging	$ 21,548
State Nutrition	Tennessee Commission on Aging	$ 91,949
Total State Assistance		$ 1,408,323
Total Local Program Revenues		$ 789,465
Total In-kind Contributions		$ 51,269
Total Program Income		$ 1,446,283
Total Interest Income		$ 43,066
Total Revenues - Governmental Funds		$ 6,954,452
Net Patient Service Revenue - Proprietary Funds	Third Party Reimbursement Programs	$ 352,585
Total Program Revenues		$ 7,307,037

Source: Agency's audited financial statements.

Northwest Tennessee Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Senior Aides	U.S. Dept. of Labor	$ 336,830
Senior Nutrition	U.S. Dept. of Health and Human Services	$ 509,484
Ombudsman Homemaker	U.S. Dept. of Health and Human Services	$ 56,276
RSVP	Corporation for Nation Service	$ 4,610
Title XX	U.S. Dept. of Health and Human Services	$ 119,630
Access to Jobs	U.S. Dept. of Transportation	$ 36,730
Rural Public Transportation	U.S. Dept. of Transportation	$ 518,345
Total Federal Assistance		$ 1,581,905
	State Appropriation	$ 35,000
Rural Public Transportation	Tennessee Department of Transportation	$ 557,662
Access to Jobs	Tennessee Department of Transportation	$ 36,730
RSVP		$ 6,191
Nutrition Services	Tennessee Commission on Aging	$ 66,239
Character Counts	Tennessee Department of Human Services	$ 10,000
Total State Assistance		$ 711,822
Local Revenue		$ 944,375
Total Interest		$ 2,980
Matching Revenue		$ 1,941
Total In-kind Contributions		$ 50,080
Total Program Revenues		$ 3,293,103

Source: Agency's audited financial statements.

South Central Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source		Program Revenue
Emergency Food Assistance	U.S. Dept. of Agriculture	$	39,740
Senior Community Service Employment	National Council on Aging, Inc.	$	486,760
Weatherization Assistance	U.S. Dept. of Health and Human Services	$	155,943
Emergency Food and Shelter	Federal Emergency Management Agency	$	32,850
Aging-Title III-B Homemaker	U.S. Dept. of Health and Human Services	$	175,282
Aging-Title III-B Transportation	U.S. Dept. of Health and Human Services	$	9,500
Aging-Title III-C Nutrition	U.S. Dept. of Health and Human Services	$	777,499
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$	1,017,290
Community Services Block Grant	U.S. Dept. of Health and Human Services	$	578,718
Family Support Payments to States	U.S. Dept. of Health and Human Services	$	80,577
Head Start	U.S. Dept. of Health and Human Services	$	4,879,732
Social Services Block Grant	U.S. Dept. of Health and Human Services	$	55,746
Protective Services - Homemaker	U.S. Dept. of Health and Human Services	$	56,680
Child Protective Homemaker Services	U.S. Dept. of Health and Human Services	$	53,374
Child Care Broker	U.S. Dept. of Health and Human Services	$	179,191
Retired Senior Volunteer	Corp. for National and Community Service	$	41,040
Foster Grandparent	Corp. for National and Community Service	$	199,903
Total Federal Assistance		$	8,819,825
Emergency Food Assistance	Tennessee Dept. of Agriculture	$	2,557
Adult Corrections	Tennessee Dept. of Correction	$	305,533
Social Services Block Grant	Tennessee Dept. of Human Services	$	36,776
Total State Assistance		$	344,866
Performance-based Income		$	278,691
State and Local Contributions		$	285,944
Total In-kind Contributions		$	1,453,651
Total Program Income		$	355,005
Total Interest Income		$	52,970
Total USDA Reimbursement		$	565,744
Total Other Income		$	8,268
Total Program Revenues		$	12,164,964
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$	207,886
Total		$	12,372,850

Source: Agency's audited financial statements.

Southeast Tennessee Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source	Program Revenue
Child and Adult Care Food	U.S. Dept. of Agriculture	$ 1,165,529
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 22,849
Section 8 Rental	U.S. Dept. of Housing and Urban Development	$ 564,242
Supportive Housing	U.S. Dept. of Housing and Urban Development	$ 75,009
Access to Jobs	U.S. Dept. of Transportation	$ 109,665
Public Transportation for Nonurbanized Areas	U.S. Dept. of Transportation	$ 992,663
Weatherization Assistance	U.S. Dept. of Energy	$ 145,669
Emergency Food and Shelter	Federal Emergency Management Agency	$ 11,707
Aging-Title III F	U.S. Dept. of Health and Human Services	$ 35,666
Aging-Title III B	U.S. Dept. of Health and Human Services	$ 149,582
Governor's Preventive Initiative	U.S. Dept. of Health and Human Services	$ 83,677
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 502,972
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 437,674
Juvenile Intervention	U.S. Dept. of Health and Human Services	$ 155,530
Juvenile Accountability Incentive	U.S. Dept. of Health and Human Services	$ 2,065
Families First	U.S. Dept. of Health and Human Services	$ 400,090
Child Care Broker	U.S. Dept. of Health and Human Services	$ 75,543
Total Federal Grant Assistance		$ 4,930,132
Community Corrections	Tennessee Dept. of Correction	$ 234,434
HOUSE	Tennessee Housing Development Agency	$ 133,853
Total State Grant Assistance		$ 368,287
State and Local Contributions		$ 21,632
Total In-kind Contributions		$ 98,235
Total Program Revenue		$ 273,199
Total Interest Revenue		$ 23,875
Total Contract Revenue		$ 607,400
Other Revenue		$ 192,688
Total Program Revenues		$ 6,515,448

Source: Agency's audited financial statements.

Southwest Human Resource Agency
Summary of Revenue by Program
For the Year Ended June 30, 2000

Program	Funding Source		Program Revenue
Nutrition Services for the Elderly	U.S. Dept. of Agriculture	$	96,780
Child & Adult Care Food	U.S. Dept. of Agriculture	$	205,082
Emergency Food Assistance	U.S. Dept. of Agriculture	$	50,700
Community Development Block Grant	U.S. Dept. of Housing and Urban Development	$	25,000
Emergency Shelter Grant	U.S. Dept. of Housing and Urban Development	$	20,628
Public Transportation for Nonurbanized areas	U.S. Dept. of Transportation	$	489,401
Weatherization Assistance	U.S. Dept. of Energy	$	220,081
Emergency Food & Shelter	Federal Emergency Management Agency	$	42,114
Aging -Title III F	U.S. Dept. of Health and Human Services	$	1,510
Aging - Title III B	U.S. Dept. of Health and Human Services	$	71,760
Aging - Title III C	U.S. Dept. of Health and Human Services	$	375,015
Child Care Broker	U.S. Dept. of Health and Human Services	$	528,574
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$	773,235
Community Services Block Grant	U.S. Dept. of Health and Human Services	$	562,569
Child Care Development Block Grant	U.S. Dept. of Health and Human Services	$	69,258
Head Start	U.S. Dept. of Health and Human Services	$	2,499,690
Foster Grandparent	U.S. Dept. of Health and Human Services	$	181,336
Total Federal Assistance		$	6,212,733
Public Transportation for Nonurbanized areas	Tennessee Dept. of Transportation	$	557,034
HOUSE Program	Tennessee Housing Development Agency	$	31,990
Child Care Broker	Tennessee Dept. of Human Services	$	49,830
Special Programs for the Aging	Tennessee Commission on Aging	$	57,900
Total State Assistance		$	696,754
State and Local Contributions		$	460,009
Total Interest Income		$	28,227
Total Program Income		$	834,457
Total In-kind Contributions		$	729,793
Total Program Revenues		$	8,961,973
Emergency Food Program - Noncash Assistance	U.S. Dept. of Agriculture	$	352,622
Total		$	9,314,595

Source: Agency's audited financial statements.

Upper Cumberland Human Resource Agency
Summary of Revenue by Program
For the Year Ended September 30, 2000

Program	Funding Source	Program Revenue
Special Supplemental Food for WIC	U.S. Dept. of Agriculture	$ 88,079
Child and Adult Care Food	U.S. Dept. of Agriculture	$ 1,752,384
Emergency Food Assistance	U.S. Dept. of Agriculture	$ 51,700
Juvenile Accountability Incentive Block Grant		$ 31,432
Senior Community Service Employment - Title V	U.S. Dept. of Labor	$ 654,390
JTPA Economic Dislocation and Worker Adjustment	U.S. Dept. of Labor	$ 627,160
JTPA Title II - A	U.S. Dept. of Labor	$ 869,103
JTPA Title II - C	U.S. Dept. of Labor	$ 452,723
Welfare to Work	U.S. Dept. of Labor	$ 486,453
JTPA Title II - B Summer Youth Employment	U.S. Dept. of Labor	$ 28,840
Title I Grants	U.S. Dept. of Labor	$ 490,470
One-Stop Planning and Implementation	U.S. Dept. of Labor	$ 284,135
Public Transportation for Nonurbanized Areas	U.S. Dept. of Transportation	$ 1,492,294
Job Access	U.S. Dept. of Transportation	$ 157,697
Weatherization Assistance	U.S. Dept. of Energy	$ 177,904
Chapter I	U.S. Dept. of Education	$ 13,591
Rehabilitation Services	U.S. Dept. of Education	$ 103,516
Nutrition Services for the Aging	U.S. Dept. of Health and Human Services	$ 521,843
Families First	U.S. Dept. of Health and Human Services	$ 1,487,629
Hospitality Industry Skills Training	U.S. Dept. of Health and Human Services	$ 35,650
Low-Income Home Energy Assistance	U.S. Dept. of Health and Human Services	$ 671,748
Community Services Block Grant	U.S. Dept. of Health and Human Services	$ 387,233
Child Care Broker	U.S. Dept. of Health and Human Services	$ 168,660
Head Start	U.S. Dept. of Health and Human Services	$ 267,021
Homemaker Services	U.S. Dept. of Health and Human Services	$ 298,077
Total Federal Assistance*		$ 11,599,732
Community Corrections	Tennessee Dept. of Probation and Parole	$ 294,553
Community Intervention Juvenile Services	Tennessee Dept. of Children's Services	$ 301,263
Incentive Awards	University of Memphis	$ 3,927
Special Education	Tennessee Dept. of Children's Services	$ 3,609
Emergency Food and Shelter	United Way	$ 34,033
Aging Homemaker	Upper Cumberland Development District	$ 34,282
Total State and Local Assistance*		$ 671,667
Fees for Service		$ 1,192,808
State and Local Contributions*		$ 570,322
Total USDA Reimbursements		$ 178,076
Total Contracted Revenue		$ 1,287,364
Total Program Income		$ 714,385
Rental and Sales - Enterprise Fund		$ 229,707
Sale of Fixed Assets - Enterprise Fund		$ 7,870
Total Interest Income		$ 239
Total Program Revenue		$ 16,452,170
Emergency Food Program - Non-cash Assistance	U.S. Dept. of Agriculture	$ 301,583
Total		$ 16,753,753

 * - Includes revenues from Enterprise Fund

Source: Agency's audited financial statements.

Agency Data Sheets

The following pages are data sheets compiled for each agency included in this audit. The sheets provide the following information:

Agency name
Executive director
Address
Phone number
List of county or counties served
Map of county or counties served
List of programs operated by the agency

Community Action Agencies

Anderson County Community Action Commission
Blount County Community Action Agency
Bradley-Cleveland Community Services Agency
Clarksville-Montgomery County Community Action Agency
Cordell Hull Economic Opportunity Corporation
Douglas-Cherokee Economic Authority
Highland Rim Economic Corporation
Mid-Cumberland Community Action Agency
Mid-East Community Action Agency
Northwest Tennessee Economic Development Council
Upper East Tennessee Human Development Agency

Human Resource Agencies

Delta Human Resource Agency
East Tennessee Human Resource Agency/Mountain Valley Economic Opportunity Authority
First Tennessee Human Resource Agency
Mid-Cumberland Human Resource Agency
Northwest Tennessee Human Resource Agency
South Central Human Resource Agency
Southeast Tennessee Human Resource Agency
Southwest Human Resource Agency
Upper Cumberland Human Resource Agency

Anderson County Community Action Commission

Executive Director: Ms. Susan T. Bowling
135 East Broad Street
Clinton, Tennessee 37716
(865) 457-5500

County Served

Anderson
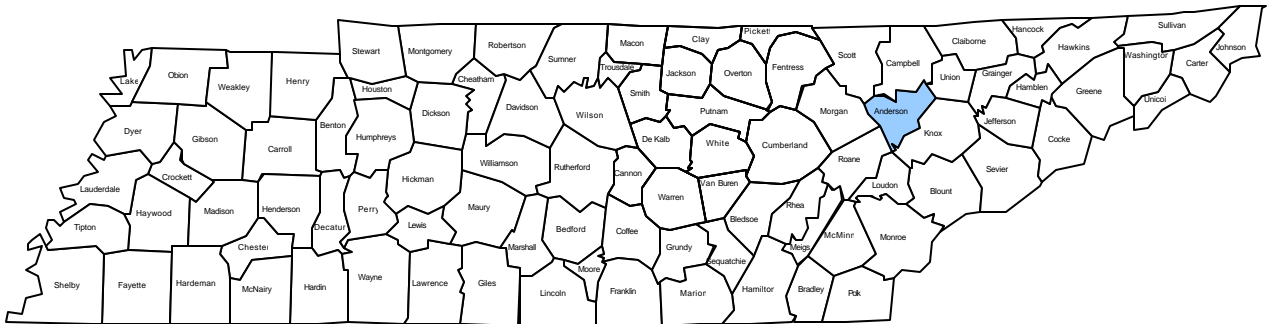
Programs

Community Services Block Grant Program
Emergency Services, Garden Program, Green Thumb, Linkages, Nutrition

Emergency Food and Shelter Program
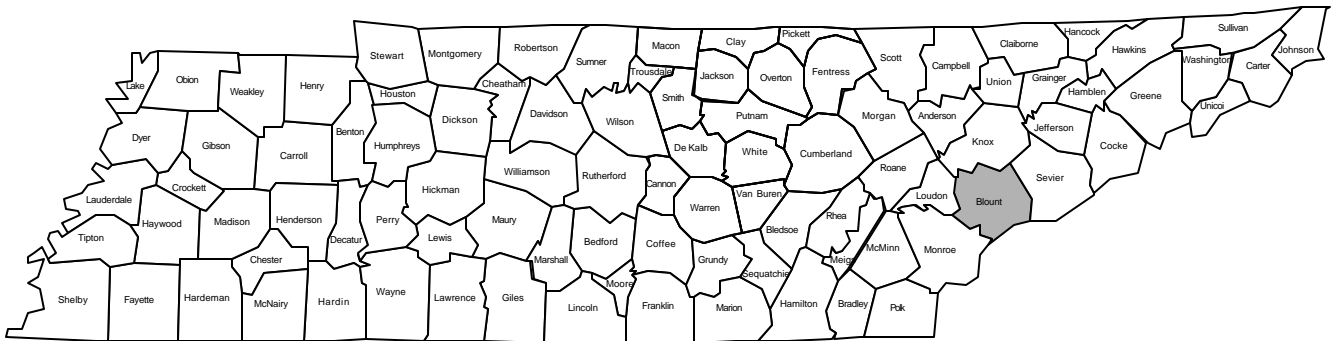
Emergency Food Assistance Program

Emergency Shelter Block Grant

Blount County Community Action Agency

Executive Director: Mr. Jim D. Harris
3509 Tuckaleechee Pike
Maryville, Tennessee 37803
(865) 983-8411

County Served

Blount

Programs

Community Services Block Grant Program
Chore Service, Clothing, Emergency Services, Financial Counseling

Emergency Food and Shelter Program

Emergency Food Assistance Program

HOUSE

Office on Aging
Counseling, Escort, Information and Referral, Homemaker, Outreach,
Reassurance, Shopping, Telephone, Transportation

Low-Income Home Energy Assistance Program

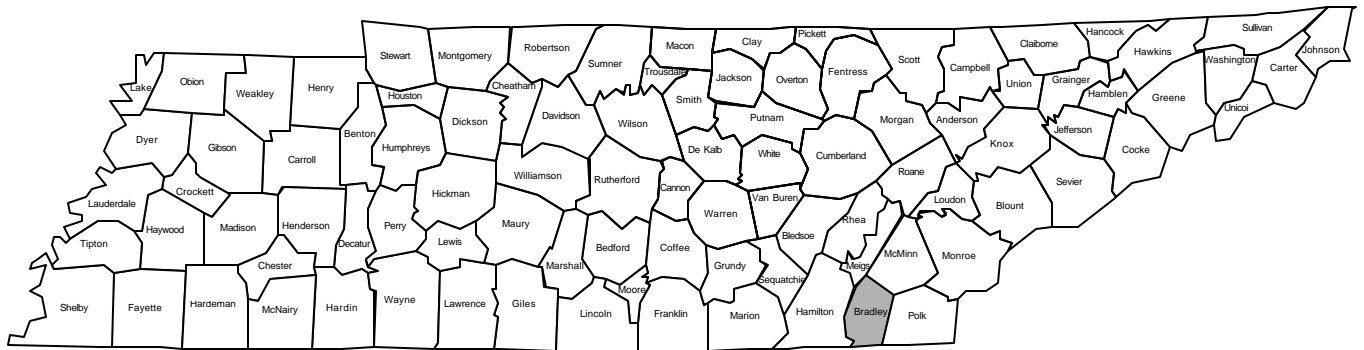*Senior Nutrition*

Summer Food Service Program

Weatherization Assistance Program

Bradley-Cleveland Community Services Agency

Executive Director: Mr. Harry Johnson
P.O. Box 3297
155 Sixth Street, SE
Cleveland, Tennessee 37320
(423) 479-4111

County Served

Bradley

Programs

Community Services Block Grant Program
Cleveland Emergency Shelter

Congregate Nutrition

Emergency Food Assistance Program

Home Delivered Meals

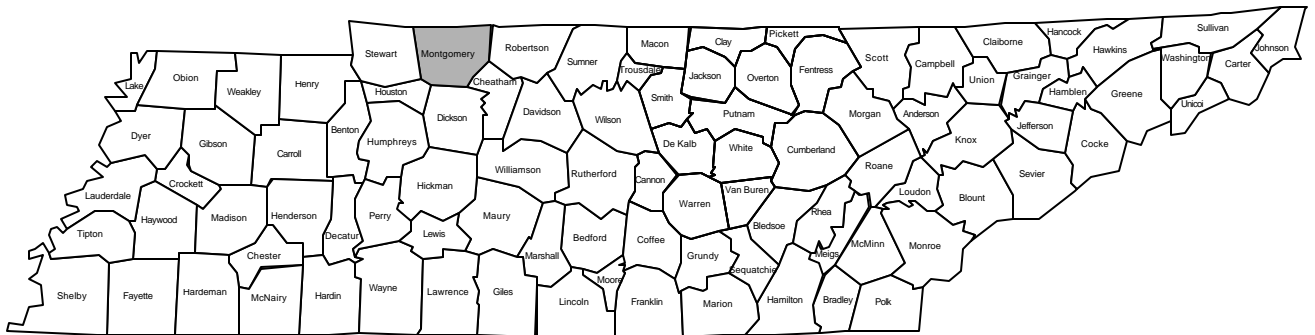*Low-Income Home Energy Assistance Program*

Summer Food Service Program

Weatherization Assistance Program

Clarksville-Montgomery County Community Action Agency

Executive Director: Mr. Joel Riddle
1030-B Cumberland Heights Road
Clarksville, Tennessee 37040
(931) 648-5774

County Served

Montgomery

Programs

Child and Adult Care Food Program

Community Development Block Grant

Community Services Block Grant Program
Information and Referral

Emergency Food Assistance Program

Emergency Shelter Block Program

Emergency Food and Shelter Program

Foster Grandparents Program

Head Start Program

Low-Income Home Energy Assistance Program

Project Help

Retired and Senior Volunteer Program

Weatherization Assistance Program

Cordell Hull Economic Opportunity Corporation

Executive Director: Ms. Sherry Anderson
P.O. Box 68
501 College Street
Lafayette, Tennessee 37083
(615) 666-2992

Counties Served

Clay, Jackson, Macon, and Smith

Programs

Community Services Block Grant Program
Education, Emergency Services, Employment, Linkage, Nutrition, Self-Sufficiency

Family Support Assistance Program

Emergency Food and Shelter Program

Emergency Food Assistance Program

Head Start

Homeless Program

Low-Income Home Energy Assistance Program

Project Help

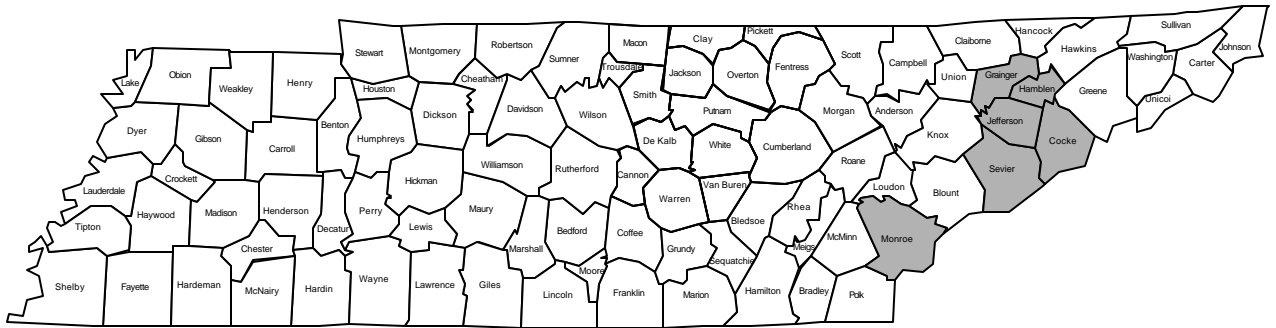*United Way Medical Assistance Program*

Weatherization Assistance Program

Douglas-Cherokee Economic Authority

Executive Director: Mr. Ray McElhaney
P.O. Box 1218
534 E. First North Street
Morristown, Tennessee 37816
(423) 587-4500

Counties Served

Cocke, Grainger, Hamblen, Jefferson, Monroe, and Sevier

Programs

Appalachian Achievement in Mathematics and Science
(Service provided in Campbell, and Scott Counties. Service also provided in Harlan County, Kentucky.)

Appalachian Educational Talent Search
(Service provided in Campbell, Claiborne, and Scott Counties. Service also provided
in Bell and Harlan Counties, Kentucky.)

Appalachian Upward Bound
(Service provided in Morgan and Scott Counties.)

Area Office on Aging and Senior Citizens Center
(Service provided in Grainger and Sevier Counties.)

Child Care Service
Child Care Broker Service
(Service provided in Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson,
Loudon, Monroe, Morgan, Roane, Scott, Sevier, and Union Counties)

Family Home Registration

C.A.P. 2000
(Service provided in Grainger County.)

Community Services Block Grant Program
Companionship, Emergency Services, Nutrition, Self-Sufficiency

Douglas-Cherokee Economic Authority (Cont.)

Emergency Food and Shelter Program Emergency Food Assistance Program

Emergency Food Assistance Program

Head Start Program
(Service provided in Blount, Cocke, Grainger, Hamblen, Jefferson, Monroe, Sevier, and Union Counties.)

HUD Technical Assistance Program

Low-Income Home Energy Assistance Program

Senior Nutrition Program

Volunteer Housing Program
(Service provided in Anderson, Bradley, Carter, Grainger, Hamblen, Hawkins, Jefferson, Knox, McMinn, Monroe, Morgan, Overton, Polk, Putnam, Rhea, Roane, Scott, Sevier, Sullivan, Unicoi, Washington, and White Counties.)

Highland Rim Economic Corporation

Executive Director: Ms. Julia Presson
P.O. Box 208
213 College Street
Erin, Tennessee 37061
(931) 289-4101

Counties Served

Dickson, Houston, Humphreys, and Stewart
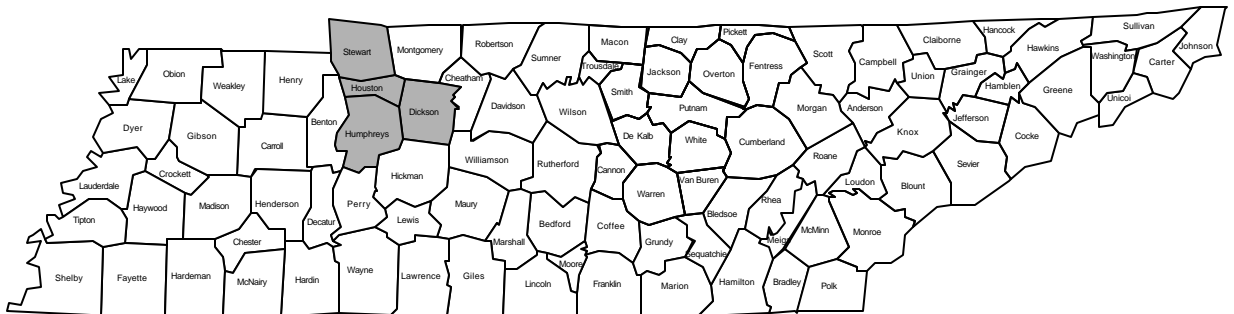
Programs

Child and Adult Care Food Program

Child Care Broker/Registered Homes
(Service provided as a subcontractor to Mid-Cumberland Community Action Agency.)

Community Services Block Grant Program
Emergency Services, Linkages, Nutrition

Emergency Food and Shelter Program

Emergency Food Assistance Program

Head Start Program

Home and HOUSE

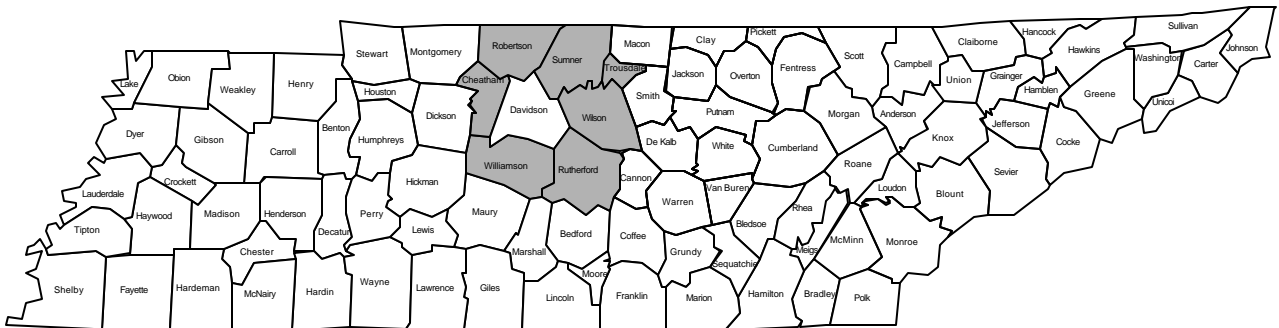***Low-Income Home Energy Assistance Program***

Project Help

Weatherization Assistance Program

Mid-Cumberland Community Action Agency

Executive Director: Mr. Roger Wright
P.O. Box 310
Lebanon, Tennessee 37088
(615) 453-2243/742-1113

Counties Served

Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson

Programs

Child Care Food Assistance
(Service provided in Cannon, Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson Counties.)

Child Care Service
Child Care Broker Program, Registered Homes
(Service provided in Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Trousdale, Williamson, and Wilson Counties.)

Community Services Block Grant Program

Emergency Shelter Block Grant
(Service provided in City of Murfreesboro.)

Emergency Food and Shelter Program
(Service provided in Cheatham, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties.)

Emergency Food Assistance Program

Head Start Programs
Early Head Start, Head Start
(Service provided in Cannon, Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson, and Wilson Counties.)

Low-Income Home Energy Assistance Program

Mid-Cumberland Community Action Agency (Cont.)

Project Help
(Service provided in Cheatham, Rutherford, Sumner, Trousdale, Williamson, and Wilson Counties.)

Retired And Senior Volunteer Program
(Service provided in Rutherford, Sumner, and Wilson Counties.)

Summer Food Service Program

Transitional Housing
(Service provided in Cheatham County.)

Weatherization Assistance Program
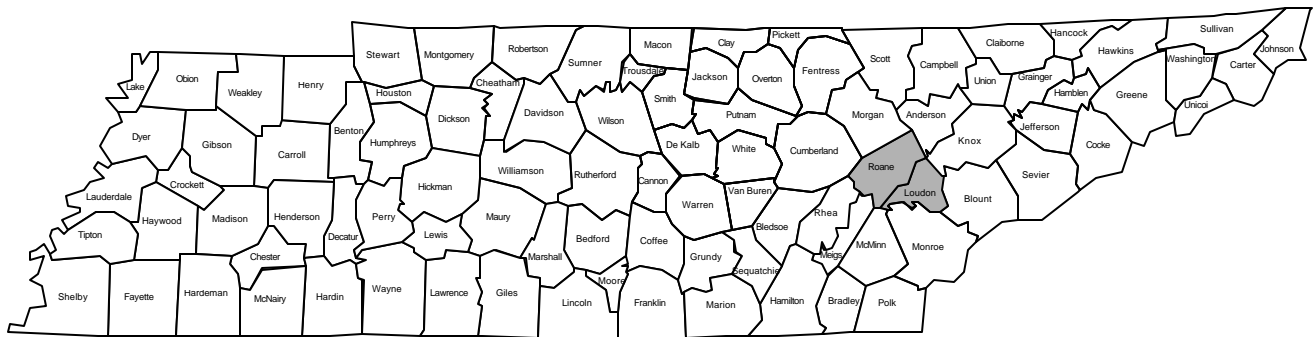
Wrap-Around Care
(Service provided in Rutherford County.)

Mid-East Community Action Agency

Executive Director: Mr. Jerry Johnson
P.O. Box 43
141 Odd Fellow Cemetery Road
Rockwood, Tennessee 37854
(865) 354-0450

Counties Served

Loudon and Roane

Programs

Community Services Block Grant Program
Elderly Support, Emergency Services, Needs Assessment, Senior Meals

Emergency Food and Shelter Program

Emergency Food Assistance Program

Head Start Program

Low-Income Home Energy Assistance Program

Title IIIC Senior Nutrition

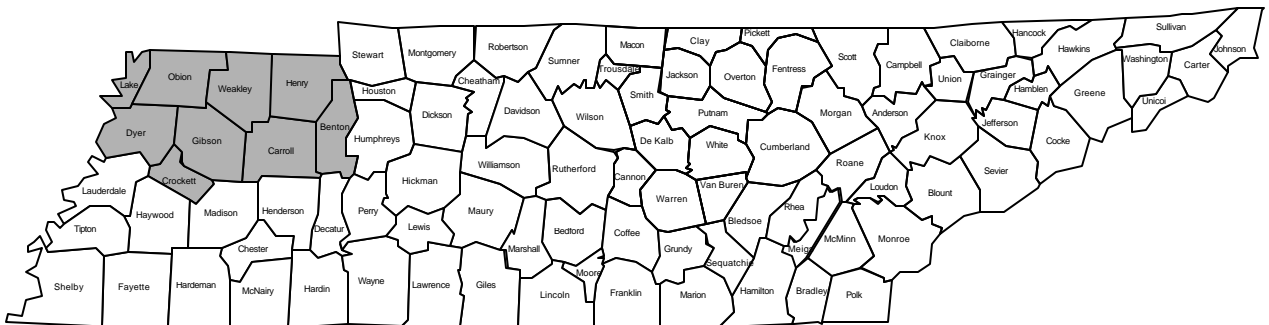***Title IIIB Senior Program***

Weatherization Assistance Program

Northwest Tennessee Economic Development Council

Interim Executive Director: Mr. John Bucy
231 Wilson Street
Dresden, Tennessee 38225
(901) 364-3228

Counties Served

Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley

Programs

Child Care Broker Program

Community Services Block Grant Program
Emergency Services, Linkages, Nutrition, Self-Sufficiency

Emergency Food Assistance Program

Head Start Program
Early Head Start, Head Start
(Service provided in Benton, Carroll, Crockett, Dyer, Fayette, Gibson, Henry, Lauderdale, Lake, Madison, Obion, Tipton, and Weakley Counties.)

HOUSE

Low-Income Home Energy Assistance Program

Social Services Block Grant
Adult Protective Services, Child Protective Services
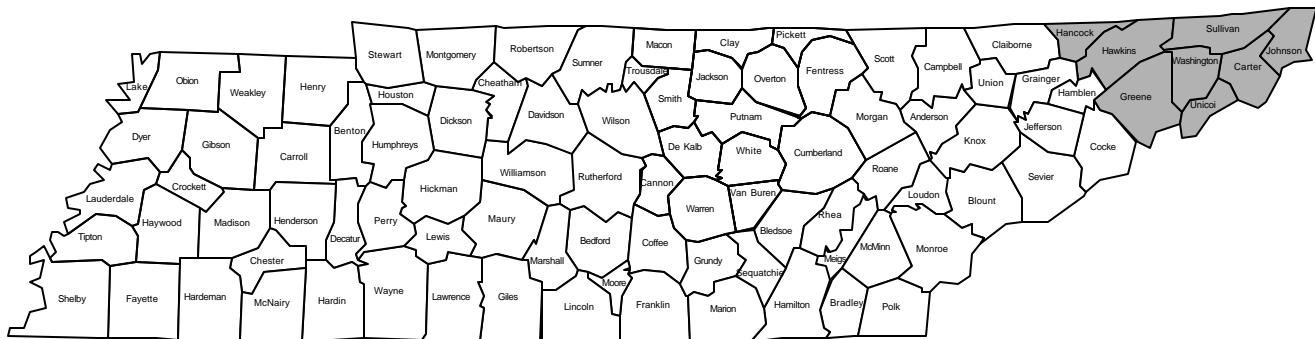
Victim's Assistance

Weatherization Assistance Program

Upper East Tennessee Human Development Agency

Executive Director: Ms. Lois Smith
P.O. Box 46
301 Louis Street
Kingsport, Tennessee 37662
(423) 246-6180

Counties Served

Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington

Programs

Child Care Broker Services Program

Child Care and Development Fund Child Care, Families First and Transitional Child Care, and Social Services Block Grant State Custody and Non-State Custody Child Care

Child Care Resource Center Program

Technical and Assessment Units

Community Services Block Grant Program

Emergency Services, Employment Assistance, Income Management Assistance, Linkages, Nutrition, and Self-Sufficiency

Emergency Food and Shelter Program

Emergency Food Assistance Program

Head Start Program

(Service provided in Greene, Hancock, Hawkins, Sullivan, Unicoi, and Washington Counties.)

Individual Development Account Program

Low-Income Home Energy Assistance Program

Northeast Tennessee Parents First Center

Retired and Senior Volunteer Program

Senior Community Service Employment Program-Title V
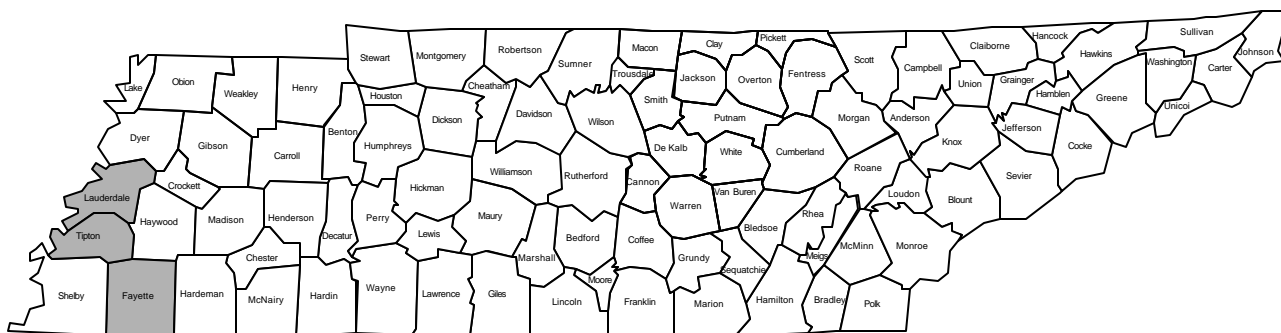
Weatherization Assistance Program

WIA Youth Program

Delta Human Resource Agency

Executive Director: Mr. John Snead
P.O. Box 634
915 Highway 51 S.
Covington, Tennessee 38019
(901) 476-5226

Counties Served

Fayette, Lauderdale, and Tipton

Programs

Community Services Block Grant Program
Emergency Sevices, Housing Program, Linkages, Nutrition

Child Care Broker Program
(Southwest Human Resource Agency administers program under contract.)

Emergency Food and Shelter Program

Emergency Food Assistance Program

Home Partnership Program

Low-Income Home Energy Assistance Program

Rural Transportation Program

Summer Food Service Program

Weatherization Assistance Program

East Tennessee Human Resource Agency/
Mountain Valley Economic Opportunity Authority

Executive Director: Mr. Gordon Acuff
9111 Cross Park Dr. Suite D-100
Knoxville, Tennessee 37923
(865) 691-2551

Counties Served

Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Knox,
Loudon, Monroe, Morgan, Roane, Scott, Sevier, and Union

East Tennessee Human Resource Agency

Mountain Valley Economic Opportunity Authority*
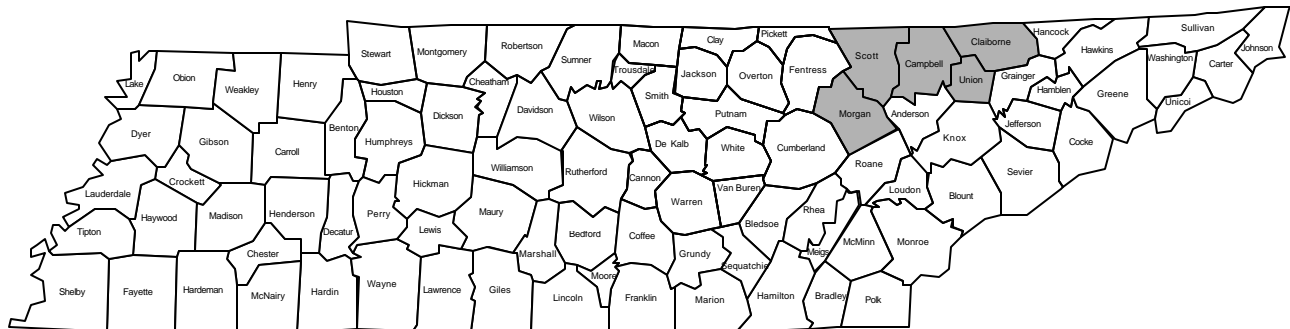
* Under an administrative agreement between the two agencies, the Mountain Valley Economic
Opportunity Authority essentially operates as one of the East Tennessee Human Resource Agency's
programs.

Programs

Adult Community Corrections

Area Agency on Aging
Public Guardianship Program

Child Care Food and Summer Food Program

East Tennessee Human Resource Agency/
Mountain Valley Economic Opportunity Authority (Cont.)

Children's Homemaker

Child Restraint

Community Services Block Grant Program
(Service provided in Campbell, Claiborne, Morgan, Scott, and Union Counties.)

Disaster Assistance

Employment Programs
Employment Development, Families First, Senior Employment, Summer Youth Employment

Family Self-Sufficiency

Emergency Food and Shelter Program

Emergency Food Assistance Program

Health Promotion for the Elderly

HOME

HOUSE

Housing Opportunities for Persons With AIDS

Housing Rental Assistance

Legal Services for the Elderly

Low-Income Home Energy Assistance Program

Misdemeanor Probation

Nursing Home Ombudsman

Offices on Aging and Senior Centers

Protective Services Homemaker Program

Rural Public Transportation, Oak Ridge Transportation

Ryan White Consortium

Senior Nutrition Services (Congregate and Home Delivered Meals)

Section 8 Housing

Supplemental Security Income Representative Payee

Violence Intervention

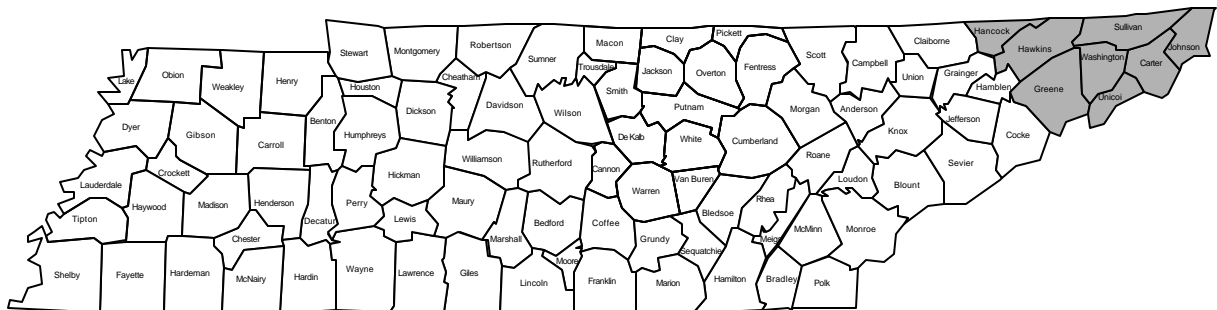*Weatherization Assistance Program*

Youth Early Intervention Services

First Tennessee Human Resource Agency

Executive Director: Mr. Frank Adams
Professional Building
112 E. Myrtle Avenue, Suite 101
Johnson City, Tennessee 37601
(423) 461-8200

Counties Served

Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington

Programs

CORRECTIONAL COUNSELING INSTITUTE

Alternative Community Corrections Program
MRT Alcohol and Drug Treatment Program
Community Service Work Program
JOBS Training Program
PLATO/GED/LIT Learning Center Program

Misdemeanor Probation Program
Anger Management Program
CMR Alcohol and Drug Counseling Program
Community Service Work Program
Domestic Violence Counseling Program
DUI and Defensive Driving Program
Theft Counseling Program

Youth Services
Character Counts Program
Moral Kombat 1 Intensive Character Education Intervention Juvenile Program
Moral Kombat 2 Helping Parents Survive and Thrive With Today's Youth Program
Moral Kombat 3 Emotion Control Teens Program
Moral Kombat 4 Character Education Intervention Young Adults Program

TRANSPORTATION

Rural Public Transportation Program
(Service provided in Carter, Greene, Hawkins, Johnson, Sullivan, Unicoi, and Washington Counties.)
Adopt-A-Rider Program
Job Access and Reverse Commute Program

First Tennessee Human Resource Agency (Cont.)

FAMILY SERVICES INSTITUTE

Adult Day Services Program
Adult Care Food Program

Child Care Food Program

Elderly Nutrition Program (Congregate and Home-Delivered Meals)

Family Support Services Program

Special Aging Projects
Chore Program
Homemaker Program
Sitter-Companion Training Program
Sitter-Companion Registry
Volunteer Service

Mid-Cumberland Human Resource Agency

Executive Director: Mr. Jim Adams
301 South Perimeter Park Drive, Suite 210
Nashville, Tennessee 37211
(615) 331-6033

Counties Served

Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart,
Sumner, Trousdale, Williamson, and Wilson
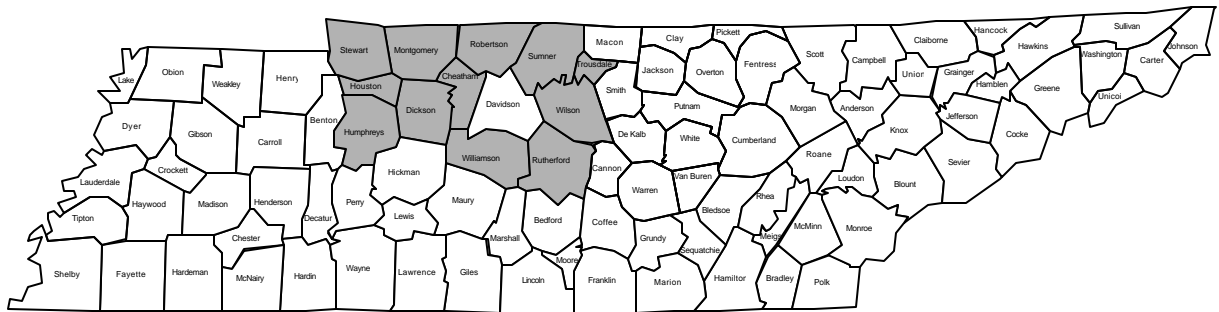
Programs

Character Counts

Community Corrections

Home Health

Homemaker

Meals-on-Wheels

Minority Applicant Pool System

Misdemeanor Management

Ombudsman

Representative Payee Program

Senior Community Service Employment Program

Summer Youth Program

Transportation

Women, Infants, and Children

Northwest Tennessee Human Resource Agency

Executive Director: Mr. John Bucy
P.O. Box 963
124 Weldon Drive
Martin, Tennessee 38237
(901) 587-4213

<u>Counties Served</u>

Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley
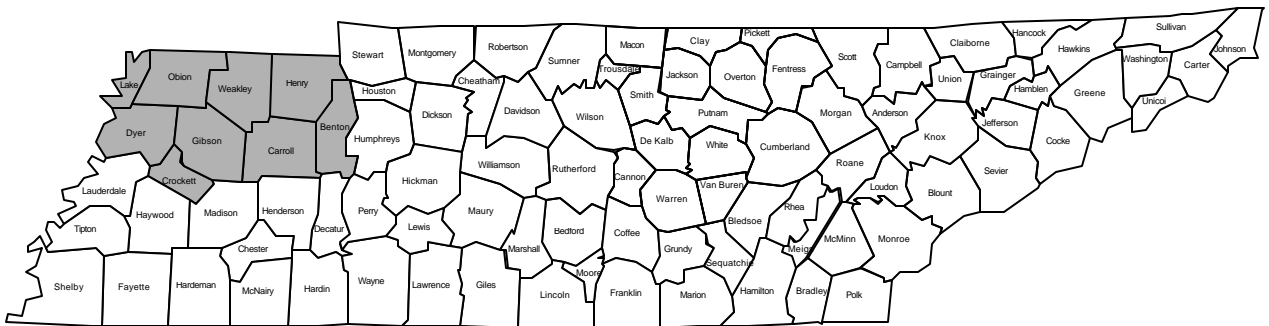
<u>Programs</u>

Access to Jobs

Character Counts

Nutrition Program

Ombudsman Program

Public Transportation Program

Retired and Senior Volunteer Program

Senior AIDES Program

Social Services Block Grant
Homemaker Program

South Central Human Resource Agency

Executive Director: Mr. Roy Tipps
P.O. Box 638
606 Lee Avenue
Fayetteville, Tennessee 37334
(931) 433-7182

Counties Served

Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, and Wayne
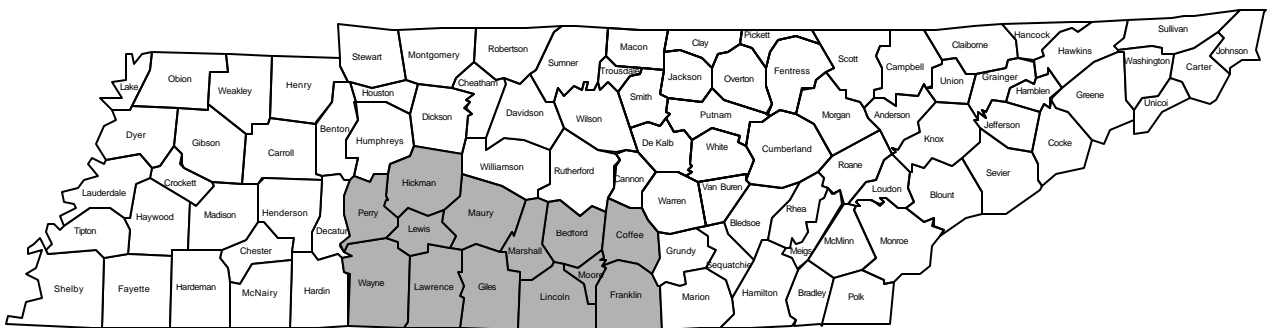
Programs

Alcohol/Drug Safety Program

Character Counts

Child Care Broker Services

Community Corrections Program

Community Services Block Grant Program
Chore Service, Companionship Assistance, Crisis Intervention, Home-Delivered Meals,
Homeless Assistance, Information and Referral

Emergency Food and Shelter Program

Emergency Food Assistance Program

Family Day Care Homes

Foster Grandparent Program

Head Start Program
Early Head Start
(Service provided in Bedford, Giles, and Lawrence Counties.)

Head Start

South Central Human Resource Agency (Cont.)

Homemaker Services for the Elderly

Low-Income Home Energy Assistance Program

Misdemeanor Probation Program

Nutrition Services for the Elderly

Parent/Child Centers

Protective Services Homemaker

Retired and Senior Volunteer Program

Senior Community Employment Program

Transportation Services for the Elderly

Weatherization Assistance Program

Southeast Tennessee Human Resource Agency

Executive Director: Mr. Riley Anderson, Jr.
P.O. Box 909
Savage Road
Dunlap, Tennessee 37327
(423) 949-2191

Counties Served

Bledsoe, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie
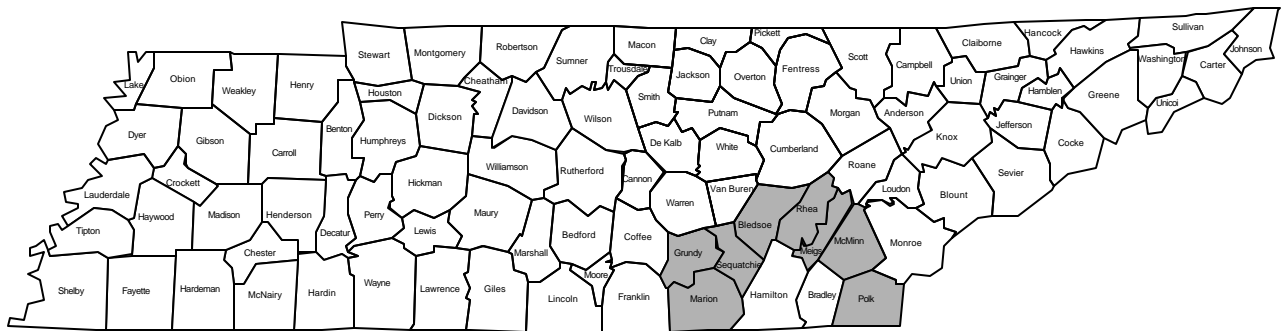
Programs

Character Counts

Child Care Food
(Service provided in Bledsoe, Bradley, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie Counties.)

Community Corrections and Misdemeanor Programs

Community Intervention Services and Governor's Community Prevention Initiative
(Community Intervention Services provided in Bledsoe, Bradley, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie Counties. Governor's Community Prevention Initiative provided in Franklin and Grundy Counties.)

Community Services Block Grant Program
Comprehensive Emergency Services, Homeless

Emergency Food and Shelter Program
(Service provided in Bledsoe, Grundy, Meigs, Polk, and Sequatchie Counties.)

Emergency Food Assistance Program

Health Promotions

HOUSE

Low-Income Home Energy Assistance Program

Southeast Tennessee Human Resource Agency (Cont.)

Project Help
(Service provided in Bledsoe, Grundy, Marion, and Sequatchie Counties.)

Representative Payee Program
Section 8 Housing

Self-Sufficiency Programs
Family Self-Sufficiency, Homecare, Pharmaceutical, Sitter Service

Transportation Program
(Service provided in Bledsoe, Bradley, Grundy, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie Counties.)

Weatherization Assistance Program

Southwest Human Resource Agency

Executive Director: Mr. Franklin Smith
P.O. Box 264
1527 White Avenue
Henderson, Tennessee 38340
(901) 989-5111

Counties Served

Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, and McNairy
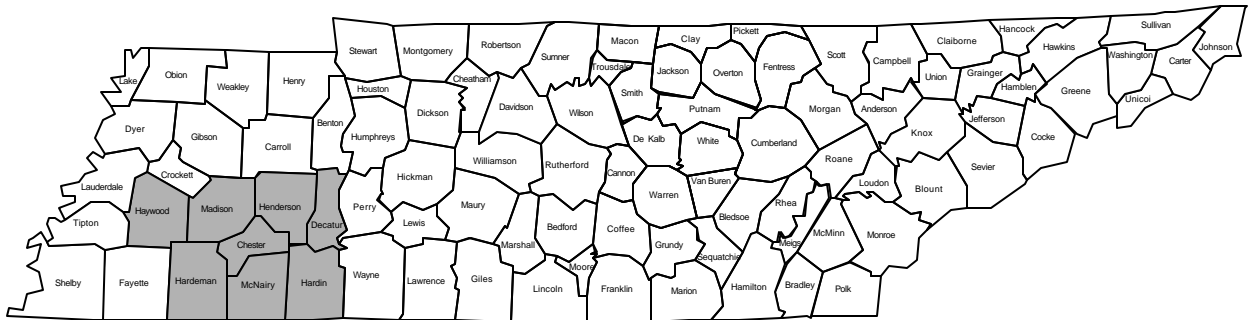
Programs*

Child Care Broker Program

Community Services Block Grant Program
Chore Services, Comprehensive Emergency Assistance, Hearing Aid Program for the Elderly, Homeless

Elderly Care Management

Emergency Food Assistance Program

Foster Grandparent Program

Helpful Opportunities In Pregnancy Prevention Education

Health Promotion (Senior Citizens Services)

Head Start Program
(Service provided in Chester, Decatur, Hardin, Haywood, Henderson, and McNairy Counties.)

HOUSE

Low-Income Home Energy Assistance Program

Nutrition for the Elderly

Registered Family Day Homes

Transportation

Weatherization Assistance Program

* Beginning July 1, 2000, the agency began providing employment services under the state's Workforce Investment
Program. This program (operated in 12 counties) was not in place at the time of our visit to this agency.

Upper Cumberland Human Resource Agency

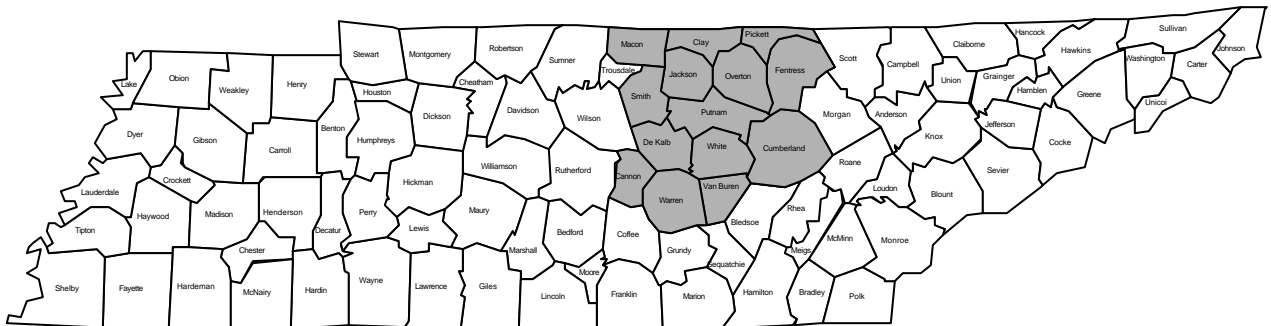Executive Director: Ms. Phyllis Bennett
311 Williams Enterprise Drive
Cookeville, Tennessee 38501
(931) 528-1127

Counties Served

Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam,
Smith, Van Buren, Warren, and White

Programs

Adult Community Corrections
(Service provided in 13th, 15th, and 31st Judicial Districts, excluding Macon, Smith,
Wilson, and Trousdale Counties.)

CHANCE
Residential Center at Bloomington Springs for Girls and
Residential Center at Indian Mound Farm for Boys

Character Counts

Child and Adult Care Food Program
(Service provided in the 14-county region plus Wilson, Bedford, Sumner, Davidson [east of the airport], Rutherford,
Williamson, Coffee, Franklin, Giles, Lincoln, Maury, Marshall, Moore, and Lewis Counties.)

Child Care Broker Program
Child Care Development Fund – Families First, Transitional, Non-Welfare;
and Social Service Block Grant – State Custody and Non-Custody

Community Intervention for Juvenile Offenders
(Service provided in 13 counties of the region, all except Putnam County.)

Community Services Block Grant Program (Emergency Services Program)
(Service provided in Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett,
Putnam, Van Buren, Warren, and White Counties.)

Cumberland Mountain School
(Serves Cumberland County and surrounding counties.)

Upper Cumberland Human Resource Agency (Cont.)

Driver's Education
(Service provided in Putnam County.)

DUI/Low-Intensity Outpatient Program
(Service provided in DeKalb, Jackson, Putnam, Overton, Pickett, and White Counties.)

Elderly Nutrition

Emergency Food Assistance Program
(Service provided in Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett, Putnam, Van Buren, and White Counties. Additionally, UCHRA is consignee for the remaining seven counties of the region.)

Head Start Program
(Service provided in Van Buren County.)

Homemaker Aide & Elderly Chore Services

It's Your Life – Manage It!
(Service provided in Putnam County.)

Employment Programs
Title II-A and Title II-C, Economic Dislocation and Worker Adjustment Assistance (EDWAAA), EDWAAA Governor's Discretionary Grant, Five Percent Older Worker Program, Summer Youth Employment Training Program (SYETP)
(Programs provided in Cannon, Clay, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, and White Counties.)

Lakeside Resort and Educational Complex
"The Villa" at Lakeside and Lakeside Catering

Low-Income Home Energy Assistance Program
(Service provided in Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett, Putnam, Van Buren, Warren, and White Counties.)

Misdemeanor Probation Program
(Service provided in Clay, Cumberland, DeKalb, Jackson, Overton, Pickett, and White Counties.)

Rural Commuter "Van Pool" Program

Senior Community Service Employment Program-Title V

Senior Employment Program-502E

Weatherization Assistance Program
(Service provided in Cannon, Cumberland, DeKalb, Fentress, Overton, Pickett, Putnam, Van Buren, Warren, and White Counties.)

Welfare to Work Program
(Service provided in Service Delivery Area 7.)

Upper Cumberland Area Rural Transit System

U.S. Department of Health and Human Services, Office of Community Services
Monitoring and Assessment Task Force
National Goals and Outcome Measures

Effective October 1, 1999

For each goal that corresponds to the work your agency does, select at least one measure to report on, based on a current needs assessment survey. If you feel that none of the measures under a particular goal is a good measure of the work actually done by your agency, create a measure that more accurately reflects the work you do. In addition, note that some of the measures could easily apply to other goals as well as the one under which they are listed; use them wherever they seem most appropriate to you.

In measures below, the word "number," wherever it appears, is to be expressed in two parts: the actual count and the baseline total. For example, when the measure is number of households maintaining employment, express it as a factor of the total number of households served by the agency (e.g., 27 out of 86). Do not indicate percentages (e.g., 31.4% or even 31 out of 100, unless your baseline total is actually 100 households); the data need to be aggregated with that of other agencies before percentages are calculated.

GOAL 1:
LOW-INCOME PEOPLE BECOME MORE SELF-SUFFICIENT

Direct measures:

a. Number of participants seeking employment who obtain it [as compared with the total number of participants].
b. Number of participants maintaining employment for a full 12 months.
c. Number of households in which adult members obtain and maintain employment for at least 90 days.
d. Number of households with an annual increase in the number of hours of employment.
e. Number of households gaining health care coverage through employment.
f. Number of households experiencing an increase in annual income as a result of earnings.
g. Number of households experiencing an increase in annual income as a result of receiving allowable tax credits, such as the earned income and childcare tax credits.
h. Number of custodial households who experience an increase in annual income as a result of regular child support payments.
i. Number of participating families moving from substandard housing into stable standard housing, as compared with the total number of participating families.
j. Number of households which obtain and/or maintain home ownership.
k. Number of minority households which obtain and/or maintain home ownership.
l. Number of people progressing toward literacy and/or GED.
m. Number of people making progress toward post-secondary degree or vocational training.
n. Other outcome measure(s) specific to the work of your agency.

Survey question measures:

o. Number of clients who consider themselves more self-sufficient since participating in services or activities of the agency.
p. Number of clients reporting an increase in income since participating in the services of the agency.

Scale measures:

q. Number of households which demonstrated movement up one or more steps on a scale or matrix measuring self-sufficiency.
r. Number of households achieving positive movement in self-sufficiency as demonstrated by an increase of at least one point in an overall score of a Family Development Scale.
s. Number of households achieving stability in the _____ dimension of a Family Development Matrix.

GOAL 2:
THE CONDITIONS IN WHICH LOW-INCOME PEOPLE LIVE ARE IMPROVED

Direct measures:

a. Number of accessible, living wage jobs created and/or retained.
b. Increase in assessed value of homes as a result of rehabilitation projects.
c. Increase in proportion of state and federal funds allocated for meeting emergency and long-term needs of the low-income population.
d. Increase in access to community services and resources by low-income people.
e. Increase in available housing stock through new construction.
f. Increase in the availability and affordability of essential services, e.g., transportation, medical care, child care.
g. Other outcome measure(s) specific to the work done by your agency.

Survey question measures:

h. Number of households who believe the agency has helped improve the conditions in which they live.

Scale measures:

i. Number of communities which demonstrated movement up one or more steps on a scale or matrix measuring community self-sufficiency, community health, or community vitality.
j. Number of communities achieving stability in the _____ dimension of the Community Scaling Tool.

GOAL 3:
LOW-INCOME PEOPLE OWN A STAKE IN THEIR COMMUNITY

Direct measures:

a. Number of households owning or actively participating in the management of their housing.
b. Amount of "community investment" brought into the community by the Network and targeted to low-income people.
c. Increase in minority businesses owned.
d. Increase in access to capital by minorities.
e. Increased level of participation of low-income people in advocacy and intervention activities regarding funding levels, distribution policies, oversight, and distribution procedures for programs and funding streams targeted for the low-income community.
f. Other outcome measure(s) specific to the work done by your agency.

Survey question measures:

g. Number of households participating or volunteering in one or more groups.
h. Number of households who say they feel they are part of the community.

Scale measures:

i. Number of communities which demonstrated movement up one or more steps on a scale or matrix measuring community self-sufficiency, community health, or community vitality.
j. Number of communities achieving stability in the _____ dimension of the Community Scaling Tool.

GOAL 4:
PARTNERSHIPS AMONG SUPPORTERS AND PROVIDERS OF SERVICES TO LOW-INCOME PEOPLE ARE ACHIEVED

Direct measures:

a. Number of partnerships established and/or maintained with other public and private entities to mobilize and leverage resources to provide services to low-income people.
b. Number of partnerships established and/or maintained with other public and private entities to complete the continuum of care for low-income people.
c. Number of partnerships established and/or maintained with other public and private entities which ensure ethnic, cultural, and other special needs considerations are appropriately included in the delivery service system.
d. Other outcome measure(s) specific to the partnerships created by local agencies.

Survey question measures:

e. Number of principal partners who are satisfied with the partnership.
f. Partner's rating of the responsiveness of the agency.

Scale measures:

g. Number of agencies which demonstrated movement up one or more steps on a scale or matrix measuring agency partnership capacity.
h. Number of agencies achieving stability in the _____ dimension of an agency partnership capacity scaling tool.
i. Number of agencies that achieve and maintain commitments from other service and resource partners to carry out agency mission.
j. Number of agencies that establish and maintain commitments to provide resources to partner organizations that serve agency customers.
k. Number of agencies that establish and maintain coordination of agency and nonagency resources to create a programmatic continuum of services with outcome-based objectives.

GOAL 5:
AGENCIES INCREASE THEIR CAPACITY TO ACHIEVE RESULTS

Direct measures:

a. Total dollars mobilized by the agency.
b. Total dollars mobilized by the agency as compared with CSBG dollars.
c. Number of boards making changes as a result of a periodic organizational assessment.
d. Number of programs which have become more effective as a result of research and data (their own as well as others).
e. Number of programs which have become more effective as a result of needs assessment surveys.
f. Number of families having their situation improved as a result of comprehensive developmental services.
g. Increase in community revitalization as a result of programs.
h. Number of agencies increasing their number of funding sources and increasing the total value of resources available for services to low-income people.
i. Number of agencies leveraging non-CSBG resources with CSBG resources at a ratio greater than 1:1.
j. Number of agencies where board composition accurately represents the ethnic diversity of the service territory.
k. Number of agencies where customers served accurately represents the ethnic diversity of the service territory.
l. Number of agencies where staffing component accurately represents the ethnic diversity of the service territory.
m. Number of development contacts as a result of outreach programs.
n. Number of special populations showing improvement as a result of programs aimed at the population.
o. Number of clients showing improvement as a result of emergency services received.
p. Other outcome measure(s) specific to the work done by local agencies.

Scale measures:

q. Number of agencies that achieve and maintain compliance with all applicable Federal, State, and local statutes, regulations, and requirements.
r. Number of agencies that achieve and maintain a governance process that is inclusive, representative of, and accountable to the community.

s. Number of agencies that achieve and maintain a workforce environment which empowers and develops its employees, has open communications, pays its employees a living wage, and is mission-driven.
t. Number of agencies which achieve and maintain a planning, measurement, and evaluation system which creates a programmatic continuum of services with outcome-based objectives, and where the measurements of programs are used to improve services.
u. Number of agencies that achieve and maintain communication and feedback processes that engage all stakeholders.
v. Number of agencies that establish and maintain a process where evaluations are used to improve services.

GOAL 6:
LOW-INCOME PEOPLE, ESPECIALLY VULNERABLE POPULATIONS, ACHIEVE THEIR POTENTIAL BY STRENGTHENING FAMILY AND OTHER SUPPORTIVE SYSTEMS

Direct measures:

a. Number of aged households maintaining an independent living situation.
b. Number of disabled or medically challenged persons maintaining an independent living situation.
c. Number of households in crisis whose emergency needs are ameliorated.
d. Number of participating families moving from homeless or transitional housing into stable standard housing.
e. Number of households in which there has been an increase in donation of time to volunteer activities (not mandated by welfare-to-work programs).
f. Number of households in which there has been an increase in children's involvement in extracurricular activities.
g. Number of high consumption households realizing a reduction in energy burden.
h. Number of households moving from cultural isolation to involvement with their cultural community.
i. Other outcome measure(s) specific to the work done by your agency.

Survey question measure:

j. Number of households indicating improved family functioning since participating in the services or activities of the agency.

Scale measures:

k. Number of households moving from crisis to stability on one dimension of a scale.
l. Number of households moving from vulnerability to stability on one dimension of a scale.
m. Number of households moving from a condition of crisis to a condition of vulnerability on one dimension of a scale.

Examples of Possible Outcome Measures by Program

LIHEAP (Low-Income Home Energy Assistance Program) – Goal is to assist clients with energy payments and, in the long term, educate them about how to control energy costs.

1. Decrease in number of persons living without heat/cooling or with insufficient heat/cooling.
2. Decrease in number of persons whose health is negatively impacted by insufficient heat/cooling.
3. Increase in the number of households that reduce energy costs as a result of improved education.

Temporary Emergency Food Assistance Program – Provides assistance to eligible households through distribution of U.S. Department of Agriculture surplus commodities. Goal is to supplement diets of eligible households with nutritious food.

1. Decrease in the number of households requiring other emergency food-related assistance.
2. Decrease in number of participants exhibiting symptoms of malnutrition. Decrease in the number of persons with health problems brought on or worsened by malnutrition or poor nutrition.

Emergency Food and Shelter Program – Goal is to provide food, shelter, and utility assistance to those in need.

1. Increase in percentage of persons whose situation has stabilized three to six months after receiving assistance.
2. Decrease in number of households whose utilities are terminated because of inability to pay.
3. Decrease in number of persons evicted/decrease in number of persons in emergency shelters or homeless.

Child Care Broker – Provides assistance to eligible parents in meeting child-care expenses. Those eligible may include Families First participants, parents transitioning out of Families First, low-income parents with full-time jobs or who are continuing their education, or children in Protective Services.

1. Improvement in these families' situations—decreased need for other types of assistance/ emergency assistance, improved employment situation, etc.

Head Start – Goal is to provide a learning environment to nurture low-income children (aged three to five) socially, intellectually, physically, and emotionally. Includes education; social services; parent involvement; nutrition, physical, dental, and mental health services; and services for children with disabilities. Early Head Start provides similar services, but to infants and toddlers.

1. Percentage of children who experience improved status in the areas of nutrition, as well as physical, dental, and mental health, post- vs. pre-participation.
2. Percentage of participants who experience improved educational development, communication, and social skills, post-vs. pre-participation.
3. Percentage of participants who, when they start public school, are evaluated by teachers as ready to learn.
4. Participants compare positively to nonparticipants with similar income levels, etc.
5. Positive changes in attitudes of parents toward education, health care. Increase in parental participation in child's education/development.

Character Counts – Goal is to strengthen the character of school-aged children by promoting and teaching solid values that transcend lifestyles and belief systems.

1. Increase in number of children able to distinguish between right and wrong (pre-test/post-test).
2. Decrease in number of children involved in negative activities at school and in the community.

Governor's Community Prevention Initiative – Offers a variety of services (ages birth through 12 years) to help prevent teen substance abuse, reduce teen pregnancy and violence, and decrease drop-out rates.

1. Decrease in number of teens abusing alcohol or drugs.
2. Decrease in number of teen pregnancies.
3. Decrease in drop-out rates.
4. Decrease in violent crimes committed by teens.

Social Security Block Grant (SSBG) Homemaker Program – Program serves both children and adults. Goal is to reduce risk of institutionalization by assisting families with children or older adults during times of stress. Families are taught daily living skills and stress reduction. Program also provides light housekeeping assistance to ill/disabled adults, including many frail elderly.

1. Percentage of children/elderly in families served who remain with their family/remain in their home.
2. Decrease in complaints of abuse or neglect for families served.
3. Decrease in accidents/falls for elderly receiving assistance.

Senior Nutrition Program – Serves congregate and home-delivered meals and provides nutrition education to senior citizens and the disabled.

1. Improvements in participants' nutrition, and in their physical and mental health.
2. Number of participants who, with help of service provided, are able to remain in their own home.

Adult Day Services – Provides structured program of personalized care for adults who are physically, socially, or mentally challenged. Goal is to maintain independence/prevent need for nursing home care.

1. Improvements in participants' nutritional, physical, and mental well-being.
2. Number of participants who, with help of service provided, are able to remain in their own home.
3. Savings achieved by avoiding the need for nursing home care.

Senior Community Service Employment Program/Senior AIDES Program – Provides employment and training for people age 55 or older who are economically disadvantaged. Participants work in nonprofit organizations where they receive pay, training, and supervision. Goal is to help participants obtain nonsubsidized employment.

1. Hours of subsidized work provided to nonprofit organizations. Dollar savings to organization.
2. Percentage of participants who obtain and retain nonsubsidized employment for three months, six months, etc.

Foster Grandparent Program – Links seniors with children who have special developmental, emotional, or physical needs. Seniors are volunteers but may receive small stipend, free meals, free annual physicals, etc.

1. Improvements in the mental/emotional/physical health of children served.
2. Improvement in developmental skills of children served.
3. Improvements in the mental/emotional health of seniors participating in program.

Retired Senior Volunteer – Recruits volunteers to assist various service organizations.

1. Dollars saved by service organizations through use of volunteers versus paid staff.

Health Promotions – Goal is to increase general awareness of the benefits of safe and healthy lifestyles. Coordinates community efforts to prolong independent and positive living among senior citizens.

1. Increase in number of seniors following safe and healthy lifestyles (surveys/home visits).

2. Increase in positive indicators (increased involvement/improved health/decreased need for assisted living, etc.) for program participants.

Weatherization Assistance Program – Goal is to weatherize homes to reduce clients' energy consumption and energy costs, and improve health.

1. Percentage of clients served who experienced decreased energy costs.
2. Percentage of clients served who experienced improved health as a result of weatherization.
3. Decrease in the number of clients requiring emergency energy assistance.
4. Percentage of clients served who experienced improved financial situations because of decreased energy costs.

HOME – Goal is to provide decent homes for designated low-income families by reconstructing (rehabilitating) homes in low-income neighborhoods.

1. Increase in number of families moving from shelters/temporary housing to their own home.
2. Increase in decent, safe, and sanitary housing available for low-income persons.
3. Increase in property values in neighborhood.

Section 8 Housing – Provides rental assistance to eligible persons/refers eligible clients to landlords/inspects rental housing for compliance with federal standards.

1. Decrease in number of evictions/persons requiring emergency shelter.
2. Decrease in the amount of other assistance (e.g., emergency assistance) needed by clients.
3. Increase in decent, safe, sanitary rental housing available for low-income persons.

Adult Community Corrections Program – Provides alternatives to incarceration through intensive supervision, alcohol and drug counseling, education, and employment assistance.

1. Percentage of program participants who successfully complete program.
2. Percentage of program participants who have not been arrested/convicted of another crime three months, six months, etc., after completion of the program.
3. Dollars saved by placement in alternative programs instead of prison.
4. Percent of participants appropriately placed in program (i.e., those who otherwise would have gone to prison, rather than into a probation program).

Misdemeanor Probation Program – Provides nonviolent offenders with a probation-type service at which time they are ordered by the judge to pay their fees to the agency. These fees are then returned to the community.

1. Percentage of program participants who successfully complete program/pay required restitution, etc.
2. Percentage of program participants who have not been arrested/convicted of a crime three months, six months, etc., after completion of the program.

Rural Transportation Program – Provides public transportation to rural residents with first priority to elderly, handicapped, and economically disadvantaged with medical needs. May include transportation for TennCare and Families First programs.

1. Percentage of customers who arrive at appointments, particularly medical or job-related appointments, on time.
2. Percentage of clients served who are high priority.

Agency Responses to Title VI Questionnaire

Agency	Question 1: Does your agency prepare a Title VI Plan?
Anderson County CAC	No formal plan, but agency does comply with necessary requirements within hiring and application process.
Blount County CAA	Agency provided copy of a self-evaluation for Section 504 of the Rehabilitation Act of 1973 - Nondiscrimination on the basis of handicap.
Bradley-Cleveland CSA	No. Not required.
Clarksville-Montgomery County CAA	No formal plan. (Also see answer to Question 4.)
Cordell Hull EOC	No formal plan.
Douglas-Cherokee EA	No written plan (not required).
Highland Rim Economic Corporation	No. But agency complies with requirements of Title VI and incorporates into narrative proposals for various grants the assurance that the agency does comply. Form HHS-441 and Grievance Procedures Civil Rights Act 1964 Title VI and VII are maintained in offices.
Mid-Cumberland CAA	No formal plan. However, agency ensures compliance with Title VI through a variety of activities (see answer to Question 4). Also, grant applications for state and federal funding address Title VI requirements
Mid-East CAA	No plan (not required).
Mountain Valley Economic Opportunity Authority	See information for East Tennessee Human Resource Agency (ETHRA).
Northwest TN Economic Development Council	No formal plan. However, each contract received by the agency indicates that there will be no discrimination. (See also answer to question 4.)
Upper East TN Human Development Agency	No formal plan. However, agency ensures compliance with Title VI through a variety of actions (see answer to Question 4).
Delta HRA	No.
East Tennessee HRA	Yes. Currently in process of being revised.
First Tennessee HRA	Agency does not have a formal plan, but does maintain a Title VI binder that includes a copy of Title VI of the Civil Rights Act of 1964; guidelines for the enforcement of Title VI; complaint forms for the Area Agency on Aging and the Departments of Human Services and Transportation; Title VI Legal Manual, policy guidance, and implementation; Title VI Jurisdiction; and a frequently asked question and answer section.
Mid-Cumberland HRA	No formal plan. However, agency does have formal "Equal Employment Opportunity" statement contained in its personnel policies.
Northwest TN HRA	Not currently. However, agency has formed a Title VI task force and gathered samples of plans to aid in development of an agency plan.
South Central HRA	Agency provided a copy of its January 1996 "Equal Employment Opportunity and Affirmative Action Program." Staff are currently reviewing document for needed revisions.
Southeast TN HRA	Not currently. However, agency is in the process of preparing a plan.
Southwest HRA	No.
Upper Cumberland HRA	No formal plan is prepared by agency as a whole, but some individual programs prepare Title VI and nondiscrimination plans.

Agency	Question 2: Does your agency have a Title VI Coordinator? If yes, what are the coordinator's duties?
Anderson County CAC	Susan T. Bowling, Executive Director, is the coordinator responsible for hearing complaints, dealing with the issues, and reporting to the board.
Blount County CAA	Kay Garrison, CSBG Coordinator, also functions as Title VI Coordinator. Her duties include completing the self-survey and responding to any Title VI claims or issues.
Bradley-Cleveland CSA	Jacqueline Smartt-Westfield.
Clarksville-Montgomery County CAA	No. Title VI issues reported to the Program Director, who reports them to the board. The board then appoints a committee to investigate and makes the final decision.
Cordell Hull Economic Opportunity Corp.	Sue Carrick has been recently assigned. She will conduct in-service training, work with the agency's Human Rights Committee to detect and correct any discrimination, assist in conducting discrimination hearings, organize and direct a compliance survey of agency vendors and contractors, and direct affirmative action plan.
Douglas-Cherokee Economic Authority	Linda Stewart. Duties include receiving, hearing, and investigating complaints; forming committees to hear complaints ; chair and conduct hearings; report actions and findings to Board and Executive Director; ensuring information is posted, disseminated properly, and that services are provided without discrimination.
Highland Rim EC	Julia Presson. Duties include monitoring of Title VI requirements.
Mid-Cumberland CAA	No. Roger Wright, Executive Director, would deal with such issues.
Mid-East CAA	No.
Mountain Valley EOA	See ETHRA information.
Northwest TN EDC	No Title VI coordinator, but Rick Workman is responsible for handling Title VI issues.
Upper East TN Human Development Agency	No Title VI coordinator. However, Lori Jung, Human Resource Manager, is responsible for dealing with Title VI issues.
Delta HRA	Laverne S. Smith. Responsible for ensuring agency compliance with Title VI and Equal Employment Opportunity (EEO) policies, handling Title VI complaints and follow-up, and working with all program coordinators to ensure programs are operating without discrimination. She is currently attempting to use computer software to capture client information for all programs.
East Tennessee HRA	Howard Hinds and Michael Murphy. Dee Norman, Human Resources Director, also has some involvement.
First Tennessee HRA	Anthony Platts, Safety and Training Coordinator, also serves as Title VI Coordinator. He is responsible for ensuring agency compliance with existing Title VI laws and regulations and working with program coordinators to ensure compliance.
Mid-Cumberland HRA	Kevin Rye, CPA, Financial Officer, acts as Title VI Coordinator.
Northwest TN HRA	Ann Halliburton. Ms. Halliburton serves as chair of the Title VI task force and will oversee preparation of Title VI plan. She also is responsible for investigating and taking proper action on any Title VI complaints.
South Central HRA	Emily Satterfield acts as Equal Employment Opportunity Officer, Civil Rights Title VI Officer, and Affirmative Action Compliance Officer.
Southeast TN HRA	Lois Minton. As Title VI Coordinator, she is responsible for collecting racial and ethnic data, monitoring Title VI contract assurance agreements, forwarding complaints to the Executive Director, and collecting minority program participation data including representation of minorities on local committees, boards, and councils. The coordinator also formulates the Title VI annual report and details how funds will be administered in compliance with Title VI.
Southwest HRA	The agency has a 504 Rehabilitation Coordinator (Bernice Pirtle) and an EEO Officer (Edna Johnson). The EEO Officer handles all complaints alleging discrimination and sits in on all grievance/ appeal procedures. The 504 Rehabilitation Coordinator checks displays of Civil Rights Act of 1964 information for appropriateness and conducts yearly monitoring visits of satellite offices to do self-evaluation for Section 504 of the Rehabilitation Act of 1973.
Upper Cumberland HRA	No Title VI coordinator. However, Cindy Smith is responsible for gathering and disseminating information on Title VI and other EEO issues.

Agency	Question 3: To which state or federal agency does your agency report with regard to Title VI? What information do you submit to that agency?
Anderson County CAC	Department of Human Services and other agencies or funding sources upon request.
Blount County CAA	The Tennessee Department of Human Services and the Area Office on Aging.
Bradley-Cleveland CSA	Department of Human Services.
Clarksville-Montgomery County CAA	Tennessee Human Rights Commission.
Cordell Hull Economic Opportunity Corp.	State requires annual report that includes information on ethnicity. Federal Head Start Program requires similar information.
Douglas-Cherokee Economic Authority	Agency submits annual statistical report including information on client ethnicity and gender to state CSBG Director (Department of Human Services).
Highland Rim Economic Corporation	At state level, Department of Human Services. Annual monitoring by the Department of Finance and Administration checks compliance with Section 504 and Titles VI and VII. At federal level, the U.S. Department of Health and Human Services. Monitoring every 3 years by peer review team to check compliance in all areas with annual submission of Form HHS-441.
Mid-Cumberland CAA	No formal reports made to any agency, but all contracts with state or federal agencies address Title VI requirements. Those grantors include the Tennessee Departments of Human Services and Agriculture, as well as the U.S. Department of Health and Human Services (DHHS) and the Corporation for National Service. (Also see answer to question 5.)
Mid-East CAA	Not required to report to either state or federal government.
Mountain Valley EOA	See ETHRA information.
Northwest TN Economic Development Council	Department of Human Services. Annual statistical reports are required from all funding sources; these reports include an ethnic breakdown for clients served.
Upper East TN Human Development Agency	The agency reports Title VI information to the Tennessee Department of Human Services and the Tennessee Commission on Aging.
Delta HRA	The agency reports to the Tennessee Department of Transportation for the Rural Transportation Program.
East Tennessee HRA	Agency reports to state or federal funding agencies when they request it. (Departments of Transportation, Correction, Human Services, Health, and Labor and Workforce Development, as well as the Commission on Aging). In the past, funding agencies sent surveys to be completed concerning Title VI, which agency completed.
First Tennessee HRA	Agency reports to the state Departments of Transportation and Human Services, the Board of Probation and Parole, and the Area Agency on Aging.
Mid-Cumberland HRA	Agency does not report specifically to any state or federal agency re Title VI.
Northwest TN HRA	Agency reports to all state and federal grantor agencies and submits information required by the contracts and any other information requested.
South Central HRA	Agency annually completes a Title VI self-survey that it submits to the Area Agency on Aging. Other information provided as requested.
Southeast TN HRA	Agency reports to the Tennessee Department of Human Services.
Southwest HRA	Agency completes a Title VI Annual Report which it submits to the Tennessee Department of Transportation, as well as an annual Title VI Self-survey report to Southwest TN Development District Area Agency on Aging. Agency also has signed documents from DHHS and the U.S. Department of Energy stating it will comply with Title VI and Section 504.
Upper Cumberland HRA	The employment and training division submits a Title VI plan to the Department of Labor and Workforce Development. Community Services submits Title VI information to the Department of Human Services. Residential Programs submits information to the Department of Children's Services and Van Buren County Head Start submits a Title VI plan to U.S. DHHS.

Agency	Question 4: Describe your agency's actions to ensure staff and clients understand Title VI requirements.
Anderson County CAC	Posters are displayed in public areas. Agency applications and publicity have non-discrimination statements included. A grievance policy is part of the applications.
Blount County CAA	The staff and clients are made aware of the Title VI requirements through staff training. Clients are made aware through publicly displayed posters, as well as by staff discussing Title VI with them during the application process.
Bradley-Cleveland CSA	Agency displays posters that inform the public of its commitment to Title VI. The Title VI Coordinator periodically presents a session in agency staff meeting. Agency completes a questionnaire yearly for the City of Cleveland regarding Title VI compliance.
Clarksville-Montgomery County CAA	All employees receive orientation and a copy of Title VI of the Civil Rights Act. They must read the act and sign a statement that they understand the act. Information is also reviewed once a year in staff meetings.
Cordell Hull Economic Opportunity Corp.	Title VI Coordinator makes periodic presentations to staff, clients, and board concerning Title VI and EEO Plan. Copies of plan are available for review in central as well as county offices. Agency also has a Human Rights Committee that includes low-income representatives, community members, and clients.
Douglas-Cherokee Economic Authority	Training provided for staff to ensure no one is denied services because of race, color, or national origin. Anti-discrimination statements included on agency advertisements. Customers informed of rights at time of service. Title VI fact sheet posted on bulletin boards.
Highland Rim Economic Corporation	Staff meetings periodically include training and reinforcement of Title VI. Postings on bulletin boards provide information on what to do if discrimination occurs. Agency advertisements, as well as letterheads, indicate agency is an equal opportunity employer.
Mid-Cumberland CAA	Agency posts anti-discrimination and EEO posters at each county office, includes EEO information in job announcements, and addresses Title-VI related issues in its Personnel Policies and Procedures. Executive director reviews policies with staff each year. Prior to signing applications, applicants are informed of their right to appeal any negative decision, except for denial because of lack of funds.
Mid-East CAA	All agency staff must read the Personnel Policies and Procedures Manual (which outlines the agency's Title VI policy) and sign. (Auditor's Note: Policy sent by agency appears to only address handicapped parking.) All applications for service have a non-discrimination statement which is read and signed by each applicant. Signs concerning non-discrimination are posted throughout agency.
Mountain Valley EOA	See ETHRA information.
Northwest TN Economic Development Council	During annual training, staff members are briefed concerning the agency's anti-discrimination stance and are periodically sent information concerning Title VI. Each office has publicly posted the requirements of Title VI of the Civil Rights Act of 1964. All documents and news releases from agency contain the Title VI anti-discrimination statement.
Upper East TN Human Development Agency	Title VI policy is communicated to staff through personnel policies (discussed in new employee orientation), ongoing training, posters, Title VI notebooks (available in all centers), and staff meetings. Policy is communicated to clients through applications for services; Title VI posters, signs and brochures; information provided to media; community awareness bulletin boards; local government offices; community partners; Title VI notebooks; and meetings and forums. The agency also compares program customer ethnicity to community population, reports data to grantors, conducts annual reviews, and provides a customer grievance procedure for complaints.
Delta HRA	Have a statement in each office re Title VI policy. Agency has started work on a compliance manual. Limited training opportunities make it difficult to ensure staff and clients understand requirements.

East Tennessee HRA	New agency staff go through orientation which explains Title VI requirements. Title VI is also discussed in staff meetings, on posters displayed in all agency offices, and at seminars sponsored by state agencies.
First Tennessee HRA	Agency communicates Title VI policy to staff through personnel policies, ongoing training, the Title VI binder, and staff meetings. Policy is communicated to potential clients through the application process.
Mid-Cumberland HRA	Agency posts Title VI requirements in all office locations, provides related training to staff, has personnel policies consistent with Title VI, and maintains an open door policy.
Northwest TN HRA	All staff members receive Title VI training. Title VI fact sheets are posted at the main office, satellite offices, senior centers, nutrition sites, nursing homes, etc.
South Central HRA	Agency maintains legal postings on all agency bulletin boards at all sites to ensure all are aware of Title VI requirements. Plan describes how policies are communicated internally and externally.
Southeast TN HRA	Agency posts its anti-discrimination policy, including the name and phone number of the Title VI coordinator. The policy is also stated in the Policy Handbook, which is issued to each employee, along with statement of adherence to be signed and placed in each person's personnel file. The executive director, who interviews and hires all new staff, fully understands and adheres to policy against discrimination.
Southwest HRA	Notices of Title VI and VII and Client Grievance Procedures are displayed in all locations. Employees attend Civil Rights Act of 1964 workshops and program directors advise new employees of their responsibilities. Applications are reviewed and all phases of client rights discussed at quarterly staff meetings.
Upper Cumberland HRA	Each employee completes an orientation which covers non-discrimination in hiring, promotions, or any other facet of employment. In addition, the Employee Handbook states that all hiring practices and employment decisions will conform to EEO and affirmative action requirements.

Agency	Question 5: How does your agency ensure it is meeting Title VI requirements? Describe Title VI monitoring/tracking activities.
Anderson County CAC	DHS and other funding sources monitor the agency. Appropriate posters are displayed.
Blount County CAA	The agency performs a self-evaluation on a regular basis, as it is monitored yearly by DHS and the Area Office on Aging. Thus far, the agency has not had any issues brought to its attention.
Bradley-Cleveland CSA	Each client application contains information about gender and ethnicity. Agency staff inform each client about the agency's commitment to Title VI, as well as the procedure for filing complaints.
Clarksville-Montgomery County CAA	All federal- and state-mandated posters are displayed at all work stations. Policies clearly state discrimination will not be tolerated.
Cordell Hull Economic Opportunity Corp.	Cordell Hull agency demographics are compared with the actual results of client service information along with governing body representation.
Douglas-Cherokee Economic Authority	Toll-free complaint numbers posted throughout offices. A person is designated to hear complaints and grievance policy is in place.
Highland Rim Economic Corporation	Easier to monitor compliance continuously because agency is small. Annual monitoring by outside grantors also keeps Title VI requirements in focus.
Mid-Cumberland CAA	Agency discusses Title VI in its funding applications. The Department of Finance and Administration monitors state DHS contracts and federal agency staff review Head Start and Early Head Start every three years.
Mid-East CAA	The agency's software data is helpful in tracking and monitoring Title VI activities.
Mountain Valley EOA	See ETHRA information.
Northwest TN Economic Development Council	Most programs, as required by contract, monitor the ethnicity of the customer base and report as requested. The fact that no customer complaints have been filed seems to indicate that the agency has successfully offered its service without a hint of discrimination.
Upper East TN Human Development Agency	Tracking is performed using the program database to compile customer ethnicity information. Results are compared to community population (by ethnicity) to determine if the minority population is being served proportionate to community population demographics. The Department of Finance and Administration performs an annual evaluation, which includes Title VI compliance. The agency would implement any Title VI-related recommendations immediately.
Delta HRA	Radio announcements are made and newspaper ads are published stating that agency is an equal opportunity employer and that clients are not discriminated against on the grounds of race, color, sex, age, disability, or national origin.
East Tennessee HRA	Deputy Director and Human Resources Director periodically monitor agency offices to ensure materials are properly posted. Title VI requirements are reviewed at periodic staff meetings. Employment applications and ads include EEO language and EEO requirements are followed.
First Tennessee HRA	The Department of Human Services and the Area Agency on Aging monitor agency Title VI requirements yearly. In-agency monitoring is done through client applications. Agency Title VI Coordinator and fiscal department are in the process of creating a spreadsheet that will show ratios and percentages for individual departments and counties.
Mid-Cumberland HRA	Agency tries to maintain a proactive position relative to all aspects of Title VI. Agency monitors and tracks statistical data with staff and, where possible, clients. Agency also provides training to staff to help sensitize them to Title VI issues.
Northwest TN HRA	Agency staff have been trained to look for Title VI violations and report them to the proper authority at their work site, who then reports to the Title VI coordinator.
South Central HRA	Agency conducts Tennessee Commission on Aging self-survey.
Southeast TN HRA	Agency conducts self-surveys and surveys conducted by the Tennessee Commission on Aging and the Department of Children's Services.

Southwest HRA	The 504 Rehabilitation Coordinator checks displays of Title VI information for appropriateness and conducts yearly monitoring visits to satellite offices to do the Section 504 self-evaluation. (See also answer to question 3.)
Upper Cumberland HRA	Directors within the agency track and report actions relating to Title VI compliance to their respective contracting agencies.

Agency	Question 6 : How does your agency ensure minorities are included in community needs assessments or other decisions re program needs in your area?
Anderson County CAC	The board of directors is representative of the clients we serve. Information is made available to the population through the news media and brochures.
Blount County CAA	Clients, regardless of race, sex, color, etc., participate in the needs assessment by completing the needs assessment survey. All board members and key informants complete a survey as well.
Bradley-Cleveland CSA	Agency involves churches and other organizations that primarily serve minorities.
Clarksville-Montgomery County CAA	Board of Directors includes representatives of the client population. Applicants for services are asked to fill out a community needs assessment survey. All Head Start parents complete questionnaires about their families and their needs, and the Head Start community needs focus group, which consists of parents who have children enrolled in Head Start, provides information on problems parents face.
Cordell Hull Economic Opportunity Corp.	Cordell Hull Head Start Program contracted with T/TA Services, Inc. of Western Kentucky University to compile 2000-2001 needs assessment. In four county service area, population is 98.3% white, 1.3% black, .4% other.
Douglas-Cherokee Economic Authority	Surveys are used with board members, customers, and service providers. Data from other groups within the community is also used.
Highland Rim Economic Corporation	Needs assessments are distributed at commodity distributions to ensure strong voice by all segments of target population. One-third of Board of Directors consists of representatives of the poor.
Mid-Cumberland CAA	Staff invite minority churches, the NAACP, minority civic and social organizations, low-income minority clients, Head Start parents, and agency board members to community needs assessments. Meeting notices are distributed to clients. Press releases issued through local newspaper and radio. Agency staff members are also encouraged to participate.
Mid-East CAA	Phone surveys regarding community needs are done every six months, reaching all areas of the community. Brochures on agency programs are distributed to local housing authorities, utility companies, nutrition sites, drug store, etc.
Mountain Valley EOA	See ETHRA information.
Northwest TN Economic Development Council	Minorities are proportionally included in the agency board make-up. New program descriptions take into consideration the number of minorities to be served, as well as developing new programs to serve minority populations. When developing needs assessments, community-wide representation is solicited (through interviews, special reports prepared by other service providers, and compilation of statistics such as census data and programmatic data) in order to present an accurate picture of community problems, as well as potential solutions.
Upper East TN Human Development Agency	Through (1) surveys and solicitations for programs and service feedback from customers, public officials, community partners, and other service providers; (2) the board of directors, which has a diverse membership (23% minority); and (3) the Head Start policy council which is comprised of at least 51% parents and the remainder community representatives; and human interest community meetings.
Delta HRA	Agency conducts community meetings in local community centers in each of the three counties served. Agency also has a ROMA community committee made up of people who serve the same population as agency. This committee has 8 members - 5 Caucasian, 3 African-American; 6 female, 2 male.
East Tennessee HRA	Most programs require public hearings, which are advertised in local newspapers. Agency also uses program advisory committees and contacts area churches, civic organizations, and other social service agencies to help with outreach. ETHRA contracts with providers who target low-income and minority individuals for services.
First Tennessee HRA	Agency ensures that minorities are included through the use of surveys and solicitations for programs through various local governmental agencies, public officials, and community partners.

Appendices   228

Mid-Cumberland HRA	Agency engages minority representation in community needs assessments, planning, and program operations through minority participation in planning meetings, work groups, sub-councils of the board, and consultative functions.
Northwest TN HRA	The public is made aware of agency services through the distribution of brochures and via the news media, local churches, and word of mouth. A needs assessment is then completed on any individual requesting services.
South Central HRA	Agency conducts community needs assessments through public meetings as well as mailings. All meetings are well advertised to ensure all segments of the population have an opportunity to be involved.
Southeast TN HRA	The Title VI Coordinator is responsible for ensuring that the minority population is represented in all community needs and program needs assessments.
Southwest HRA	Community needs assessments are mailed to customers, without regard to race. A specified number of customers who visit the community service centers are asked to fill out a needs assessment (e.g., first ten customers in the office on a specific date).
Upper Cumberland HRA	Each program is diligent in recruiting minority participants and every opportunity is followed to employ minority workers. However, the demographic composition of the region–with only 3% minority population–means that the actual numbers of minority participants and staff are small.

Agency	Question 7: Has your agency received any Title VI-related complaints in the last two years? If so, describe complaint and resolution.
Anderson County CAC	No complaints have been filed.
Blount County CAA	No complaints received.
Bradley-Cleveland CSA	No complaints received.
Clarksville-Montgomery County CAA	One racial discrimination charge by terminated employee. Charge investigated by the Equal Employment Opportunity Commission (EEOC). Employee dropped charges.
Cordell Hull Economic Opportunity Corp.	In 1998, one complaint was filed with the EEOC and was subsequently denied. Complainant was dissatisfied with the EEOC decision and filed suit (still pending).
Douglas-Cherokee Economic Authority	No complaints received.
Highland Rim Economic Corporation	No complaints received.
Mid-Cumberland CAA	No complaints received.
Mid-East CAA	No complaints received.
Mountain Valley EOA	See ETHRA information.
Northwest TN Economic Development Council	No complaints received.
Upper East TN Human Development Agency	No complaints received.
Delta HRA	No complaints received.
East Tennessee HRA	No complaints received.
First Tennessee HRA	No complaints received.
Mid-Cumberland HRA	No complaints received.
Northwest TN HRA	No complaints received.
South Central HRA	No complaints received.
Southeast TN HRA	No complaints received.
Southwest HRA	Five grievances filed by employees against previous executive director, alleging discrimination based on salary increases given to some employees effective July 1, 1999. Employees went directly to the EEOC in Memphis. When new executive director took office in September 1999, he reviewed the salary increases given and identified problems. He then contacted the EEOC and requested mediation. Based on that mediation, an agreement was reached whereby four of the five employees received salary increases. One other grievance for salary discrimination was filed by a Head Start employee. Went through internal channels, then to the EEOC. No discrimination found.
Upper Cumberland HRA	A formal Title VI complaint was filed by a client alleging discrimination in the awarding of LIHEAP funds. Complaint was filed by agency and copy sent to DHS. Complaint was investigated by agency staff - no discrimination found. Complaint was appealed to DHS, which found on May 17, 2000, that the agency had followed LIHEAP policies and that no violation of Title VI had occurred.

Agency	Question 8: Describe the breakdown of your agency's staff by ethnicity.
Anderson County CAC	5 full-time staff–4 Caucasian, 1 African-American. 2 Green Thumb participants–1 African-American, 1 Caucasian.
Blount County CAA	8 full-time staff, 11 part-time staff–all Caucasian (1 disabled). Two Green Thumb participants–both African-American.
Bradley-Cleveland CSA	24 staff–15 Caucasian, 9 African-American.
Clarksville-Montgomery County CAA	53 staff–26 African-American, 25 Caucasian, 2 Hispanic.
Cordell Hull Economic Opportunity Corp.	105 staff–100 Caucasian, 5 African-American.
Douglas-Cherokee Economic Authority	369 staff–343 Caucasian, 26 minority.
Highland Rim Economic Corporation	55 staff–51 Caucasian, 4 African-American. In four-county service area, minority population is only 3.25%.
Mid-Cumberland CAA	200 staff–135 Caucasian, 56 African-American, 4 Hispanic, 3 Native American/Alaskan Native, 2 Asian/Pacific Islander.
Mid-East CAA	80 staff–77 Caucasian, 1 African-American, 1 Hispanic, 1 Native American.
Mountain Valley EOA	See information for East Tennessee HRA below. All staff of Mountain Valley's CSBG program are considered to be employees of ETHRA.
Northwest TN Economic Development Council	382 staff–191 Caucasian, 179 African-American, 8 Hispanic, 4 other.
Upper East TN Human Development Agency	275 staff–248 Caucasian, 27 African-American. Service area ethnicity is 96.5% Caucasian, 2.3% African-American, 1.2% other.
Delta HRA	47 staff–32 African-American, 15 Caucasian.
East Tennessee HRA	270 staff–256 Caucasian, 12 African-American, 2 Hispanic.
First Tennessee HRA	164 staff–156 Caucasian, 6 African-American, 1 American Indian, 1 Asian
Mid-Cumberland HRA	198 staff–165 Caucasian, 33 minority.
Northwest TN HRA	163 staff–132 Caucasian, 30 African-American, 1 Hispanic.
South Central HRA	413 staff–206 Caucasian, 176 African-American, 31 other/unknown.
Southeast TN HRA	143 staff–all Caucasian.
Southwest HRA	301 staff–182 Caucasian, 119 African-American.
Upper Cumberland HRA	399 staff–389 Caucasian, 6 African-American, 3 Hispanic, 1 American Indian. Ratio is consistent with regional ratio of 3% minority residents.

Agency	Question 9: Describe the breakdown of your agency's board members by gender and ethnicity
Anderson County CAC	13 board members–7 female, 6 male; 11 Caucasian, 2 African-American.
Blount County CAA	15 board members–12 male, 3 female; 13 Caucasian, 2 African-American.
Bradley-Cleveland CSA	21 board members–15 male, 6 female; 17 Caucasian, 4 African-American.
Clarksville-Montgomery County CAA	16 board members–12 male, 4 female; 8 African-American, 6 Caucasian, 2 Hispanic.
Cordell Hull Economic Opportunity Corp.	24 board members–17 male, 7 female; 22 Caucasian, 2 African-American.
Douglas-Cherokee Economic Authority	30 board members–22 male, 8 female; 27 Caucasian, 2 African-American, 1 Hispanic.
Highland Rim Economic Corporation	24 board members (8 public sector, 8 private sector, and 8 low-income representatives)–13 male, 10 female, 1 vacancy; 20 Caucasian, 3 African-American, 1 vacancy. (Minority population only 3.25%.)
Mid-Cumberland CAA	39 board members–20 female, 19 male; 24 Caucasian, 15 African-American.
Mid-East CAA	10 board members–5 male, 5 female; 8 Caucasian, 2 African-American.
Mountain Valley EOA	24 board members–18 male, 6 female; 23 Caucasian, 1 African-American.
Northwest TN Economic Development Council	26 board members–19 male, 5 female, 2 vacancies; 16 Caucasian, 8 African-American. In addition, 26 acting members (designees)—14 female, 9 male, 3 vacancies; 15 Caucasian, 8 African-American.
Upper East TN Human Development Agency	48 board members–26 female, 22 male; 37 Caucasian, 11 African-American.
Delta HRA	9 board members–6 male, 3 female; 6 Caucasian, 3 African-American.
East Tennessee HRA	33 board members–26 male, 7 female; 32 Caucasian, 1 African-American.
First Tennessee HRA	30 board members–26 male, 4 female; 30 Caucasian
Mid-Cumberland HRA	63 board members–56 male, 7 female; 63 Caucasian. (The makeup of the executive board is determined by who is elected to certain positions.)
Northwest TN HRA	65 board members–58 male, 7 female; 63 Caucasian, 2 African-American.
South Central HRA	26 policy council members–20 male, 5 female, 1 vacancy; 21 Caucasian, 4 African-American, 1 vacancy.
Southeast TN HRA	61 board members–39 male, 22 female; 61 Caucasian.
Southwest HRA	27 board members–16 male, 11 female; 18 Caucasian, 9 African-American. (Board consists of one-third public officials, one-third private sector representatives, and one-third representatives of low-income persons.)
Upper Cumberland HRA	59 filled positions (not all board positions filled)–49 male, 10 female; 58 Caucasian, 1 African-American.

Agency	Question 10: For those programs for which the information is readily available, describe the breakdown of clients by ethnicity.
Anderson County CAC	CSBG (July 99-June 00)–2470 Caucasian, 56 African-American, 8 Native American, 5 Hispanic Green Thumb Garden Program (July 99-June 00)–321 Caucasian, 7 African-American, 2 Native American, 2 Hispanic Emergency Food and Shelter (July 99-June 00)–79 Caucasian, 3 African-American Commodities (July 99-June 00)–1358 Caucasian, 30 African-American, 4 Native American, 2 Hispanic
Blount County CAA	CSBG (July 00-Sept. 00)–171 Caucasian, 12 African-American, 4 Hispanic, 8 other CSBG Linkage (July 00-Sept. 00)–24 Caucasian, 1 African-American LIHEAP (July 99-May 00)–818 Caucasian, 69 African-American, 3 Hispanic, 1 Asian/ Pacific Islander WAP (July 99-May 00)–20 Caucasian, 1 African-American Congregate meals (Jan. 00-Oct. 17, 00)–220 Caucasian, 5 African-American Home-Delivered Meals (Jan. 00-Oct. 17, 00)–187 Caucasian, 23 African-American
Bradley-Cleveland CSA	LIHEAP–570 Caucasian, 97 African-American, 6 American Indian WAP–11 Caucasian, 6 African-American Emergency Shelter– 631 Caucasian, 76 African-American, 10 American Indian, 4 Asian Meals on Wheels–225 Caucasian, 46 African-American Congregate Nutrition–125 Caucasian, 25 African-American Commodities–675 Caucasian, 112 African-American, 15 Hispanic, 10 Native American Summer Feeding–2,250 Caucasian, 546 African-American, 25 Hispanic, 25 Native American
Clarksville-Montgomery County CAA	Head Start–134 African-American, 85 Caucasian, 10 Hispanic, 1 American Indian-Alaskan Native Foster Grandparents–59 African-American, 21 Caucasian RSVP–23 Caucasian, 10 African-American, 1 Hispanic
Cordell Hull Economic Opportunity Corp.	CSBG– 95% Caucasian, 5% African-American LIHEAP–93% Caucasian, 7% African-American WAP–100% Caucasian Head Start–90% Caucasian, 7% African-American, 3% other
Douglas-Cherokee Economic Authority	CSBG (7-1-99 through 6-30-00)–5,298 Caucasian, 168 African-American, 10 Hispanic, 5 Native American/Alaskan, 20 other
Highland Rim Economic Corp.	CSBG–213 Caucasian, 15 African-American, 1 Native American LIHEAP–744 Caucasian, 88 African-American WAP–32 Caucasian, 10 African-American Emergency Food & Shelter–174 Caucasian, 23 African-American, 2 Hispanic Project Help–127 Caucasian, 12 African-American Commodities–1,954 Caucasian, 169 African-American, 1 Hispanic Emergency Shelter Grant Homeless–3 Caucasian Food Pantry–67 Caucasian, 15 African-American, 1 Hispanic Helping Hand–53 Caucasian, 6 African-American Garden–161 Caucasian, 10 African-American Head Start–193 Caucasian, 35 African-American, 3 Hispanic HOUSE–28 Caucasian, 7 African-American Housing Preservation–18 Caucasian, 7 African-American

Mid-Cumberland CAA	CSBG (July 99-June 00)–445 Caucasian, 244 African-American, 2 American Indian/ Alaskan Native LIHEAP (July 99-May 00)–1,854 Caucasian, 1,158 African-American, 112 Hispanic, 8 American Indian/Alaskan Native WAP (July 99-May 00)–56 Caucasian, 31 African-American Child Care Broker–1,154 Caucasian, 779 African-American, 8 Hispanic, 8 American Indian/Alaskan Native, 3 Asian/Pacific Islander RSVP (current)–558 Caucasian, 33 African-American Head Start/Early Head Start–407 Caucasian, 332 African-American, 54 Hispanic, 3 American Indian/Alaskan Native, 1 Asian/Pacific Islander
Mid-East CAA	CSBG Cash Assistance–104 Caucasian, 2 African-American CSBG Homeless–243 Caucasian, 35 African-American CSBG Elderly Support–167 Caucasian, 7 African-American, 1 Native American, 1 other LIHEAP–1,687 Caucasian, 135 African-American, 7 Native American, 2 Hispanic, 16 other WAP–102 Caucasian, 22 African-American, 2 Native American, 4 other Head Start–251 Caucasian, 5 African-American, 7 Hispanic Commodities–1,243 Caucasian, 114 African-American, 7 Hispanic, 2 Native American Emergency Food and Shelter–103 Caucasian, 7 African-American, 1 other Senior Nutrition–1,338 Caucasian, 71 African-American Senior Center–740 Caucasian, 28 African-American Office on Aging–340 Caucasian, 29 African-American
Mountain Valley EOA	CSBG–2,758 Caucasian, 39 African-American, 4 Native American, 2 Asian, 3 other
Northwest TN Economic Development Council	CSBG (FY99-00)–1,300 Caucasian, 610 African-American, 6 Hispanic, 1 other LIHEAP–2,267 Caucasian, 789 African-American,15 Hispanic WAP (FY99-00)–47 Caucasian, 36 African-American Head Start–60% African-American, 38% Caucasian, 2% Hispanic Child Care Broker (current)–825 Caucasian, 697 African-American, 6 Hispanic, 2 Asian, 2 Native Hawaiian, 37 other Victims Assistance (Oct 98-June 99)–36 Caucasian, 5 African-American, 2 Hispanic SSBG Adult Protective–38 Caucasian, 13 African-American, 13 unknown SSBG Child Protective (FY99-00)–73 Caucasian, 13 African-American, 3 Hispanic, 2 biracial, 9 unknown HOUSE–3 Caucasian, 1 African-American
Upper East TN Human Development Agency	Service area ethnicity is 96.5% Caucasian, 2.3% African-American, 1.2% other. Client ethnicity is 92.74% Caucasian, 5.41% African-American, 1.85% other. CSBG–3,779 Caucasian, 215 African-American, 19 Hispanic, 44 other LIHEAP–5,541 Caucasian, 219 African-American, 98 American Indian/Alaskan Native, 17 other WAP–152 Caucasian, 3 African-American Head Start–822 Caucasian, 59 African-American, 23 Hispanic, 13 other Child Care Broker (children enrolled)–1,938 Caucasian, 176 African-American, 21 Hispanic, 10 other RSVP–817 Caucasian, 85 African-American, 15 Asian, 1 other Senior Community Services–25 Caucasian, 5 African-American, 1 other.
Delta HRA	CSBG (July 99-June 00)–643 African-American, 422 Caucasian, 6 Hispanic, 6 other
East Tennessee HRA	Not available. Not required for ETHRA programs.
First Tennessee HRA	Information not readily available.

Mid-Cumberland HRA	Total–59% Caucasian, 41% minority. Character Education (est.)–457 Caucasian, 293 minority Summer Youth Employment–71 Caucasian, 29 minority Community Corrections–284 Caucasian, 96 minority Misdemeanor Probation–1,615 minority, 1,081 Caucasian Home Health–191 minority, 11 Caucasian WIC (est.)–9,994 Caucasian, 8,176 minority Minority Application Pool System–315 Caucasian, 85 minority Homemaker–287 Caucasian, 96 minority NCOA–20 Caucasian, 17 minority Nutrition–2,758 Caucasian, 432 minority Ombudsman–347 Caucasian, 98 minority Representative Payee (est.)–136 minority, 90 Caucasian Transportation–1,025 Caucasian, 369 minority.
Northwest TN HRA	This information is not required by most grantors and therefore is not readily available.
South Central HRA	CSBG (FY 2000)–1,451 Caucasian, 192 African-American, 5 Hispanic CSBG Chore Service–137 non-minority, 9 minority Homemaker–348 non-minority, 30 minority LIHEAP (FY2000)–3,291 Caucasian, 736 African American, 6 Hispanic, 5 American Indian/Alaskan Native
Southeast TN. HRA	CSBG Emergency–597 Caucasian, 14 African-American, 3 Asian CSBG Self Sufficiency–181 Caucasian, 3 African-American CSBG Linkage Elderly Support–173 Caucasian, 5 African-American LIHEAP–3,213 Caucasian, 166 African-American, 14 American Indian, 1 Asian, 1 other Adult Corrections–146 Caucasian, 33 African-American Misdemeanor Probation–992 Caucasian, 92 African-American Juvenile Corrections–121 Caucasian, 5 African-American, 1 Hispanic Families First–698 Caucasian, 70 African-American, 5 other Access to Jobs–19 Caucasian, 1 African-American Representative Payee–176 African-American, 65 Caucasian Housing and Urban Development–194 Caucasian, 4 African American Transportation–11,553 Caucasian, 753 African-American, 126 Hispanic, 1 other
Southwest HRA	Such information not kept for individual programs.
Upper Cumberland HRA	The agency estimates that about 3% of its clients are minorities—roughly the same as the percentage of minorities in the agency's service area. The agency serves 20 minorities (out of 639 total participants) in its employment and training programs; 10 African-Americans (out of 171 total clients) in its community corrections programs; and 66 minorities (of 3,872 unduplicated individuals) in its community services programs.

Management's Comments

       The Division of State Audit received responses to the audit findings (see pages 135-150) from the Tennessee Association of Community Action (TACA), the Tennessee Association of Human Resource Agencies (TAHRA), and the Tennessee Department of Human Services. Those responses are included at the end of each finding. In addition, we received a joint, general response to the audit from TACA and TAHRA. That response is included on page 237.

Memorandum of Transmittal
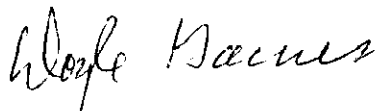
State of Tennessee, Comptroller' s Office

Subject: Performance Audit Response regarding Human Resource Agencies and
Community Action Agencies

The Tennessee Association of Community Action and the Tennessee
Association of Human Resource Agencies met on two occasions and
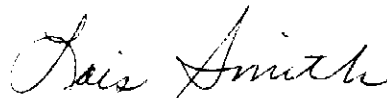discussed the above audit.

We are very pleased with the Performance Audit. Each association has
responded to the four findings. The Associations' responses are each positive
and one complements the other.

We together look forward to serving the people of the State of Tennessee always
in pursuit of excellence within the best interest of the public welfare. We are
committed to that end and look forward to meeting with the appropriate
committee.

Sincerely,

Doyle Gaines, President
TN Association of Human Resource Agencies

Lois Smith, President
TN Association of Community Action